

Digital Citizen Report 2023

Revealing Australia's Demand for Digital Services and Understanding how Citizen Expectations are Evolving

Citizen
Insights
Hub





KEY INSIGHTS

in this report

1

MORE AUSTRALIANS ARE USING DIGITAL GOVERNMENT SERVICES, WITH MYGOV, HEALTHCARE AND FINANCE EMERGING AS THE MOST POPULAR.

2

AUSTRALIANS WANT MORE DIGITAL SERVICES - WITH DIGITAL VOTING, MENTAL HEALTH SERVICES AND DIGITAL DRIVER'S LICENCE AMONG THE TOP 3.

3

MOST AUSTRALIANS USE DIGITAL IDS AND WALLETS BUT PRIVACY RISKS HINDER WIDER ADOPTION.

4

MINORITY GROUPS AND OLDER AUSTRALIANS WANT BETTER ACCESS TO DIGITAL GOVERNMENT SERVICES.

5

AUSTRALIANS ARE ENTHUSIASTIC ABOUT EMERGING TECHNOLOGIES LIKE AI, VR, XR AND WEB 3.0, AND WANT TO BE DIGITALLY-EQUIPPED.

Digital government

transformation has emerged as the new frontier in public sector modernisation. Disruptive technologies like Generative Artificial Intelligence (AI), Virtual Reality (VR), Extended Reality (XR), Cloud Computing, Machine Learning (ML) and the Internet of Things (IoT) are dramatically improving citizen services.

While the COVID-19 pandemic pivoted digitalisation through improved personalisation of services across businesses and governments, three years on, Australians expect this trend to continue through simple, helpful, respectful and transparent service at all digital touchpoints. This expectation is putting enormous pressure on governments to improve service delivery.

Australia has been on an accelerated path of digital transformation over the past decade, and the Digital Government Strategy – envisioned to deliver a digital government that meets and exceeds the expectations of Australians – aims to make Australia one of the top three digital governments¹ in the world by 2025.

Delivering this ambitious strategy will require an in-depth understanding of people’s relationships with technology without risking digital exclusion, especially among older and more vulnerable populations. For organisations and governments to scale high-quality digital experiences quickly, they will need sufficient citizen uptake in the future.

Publicis Sapient carried out research with citizens across demographics to understand how this can become a reality. The report examines what Australians can expect from government, how digitalisation is enabling citizen-centric services, and what policies will be necessary to respond to evolving expectations.

The findings reveal that extensive progress has been made in accelerating digitalisation. A vast majority of citizens are also eager and willing to use digital tools across a range of government services. This digital uptake across touchpoints, along with an overall positive citizen sentiment, are kindling further investments and enhancements in new technology.

To keep the momentum going, inter-agency collaboration will be critical to establish common frameworks and expand digital inclusion for all citizens, especially those with vulnerabilities and people from minority groups. Equally, addressing data privacy and security challenges will elevate credibility and citizen trust in digital government services.

This report aims to be a practical guide for the public sector to critically evaluate progress and undertake further reforms in the future. It identifies key pathways that will shape digital transformation of government, including:

Steady rise in citizen uptake of digital government services

Progressive shift to deliver personalised and user-friendly online experiences

Renewed focus on digital privacy and citizen trust

Improvements in bridging the digital divide for older and more vulnerable populations

Rise in emerging technologies



¹ *Digital Government Strategy, Australian Government*

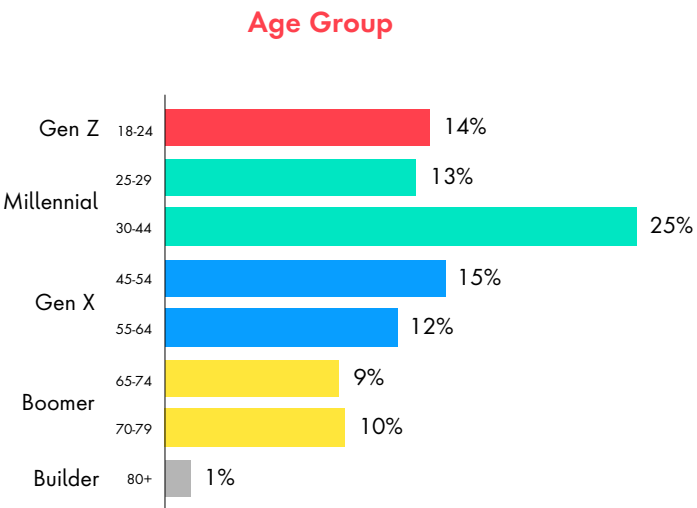
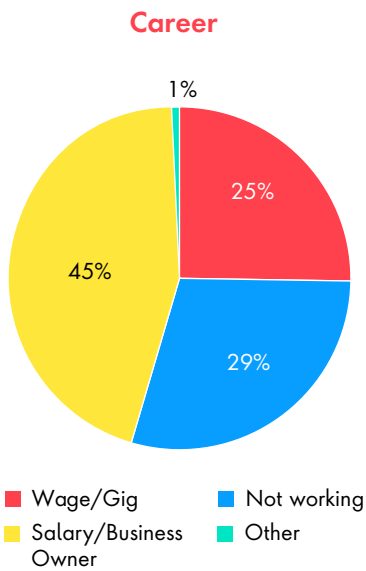
About the Report

The Publicis Sapient Digital Citizen Report is one of the largest annual surveys on digital Government in Australia conducted by a private organisation. It examines how citizens engage with governments through digital services. It was first commissioned and carried out online in 2021, and again in 2022.

The December 2022 survey had 5,066 participants from a broad range of demographic characteristics, reflecting the population of Australia. It offers rich insights on consumer behaviour and citizen-centric services for the public sector.

This report aims to:

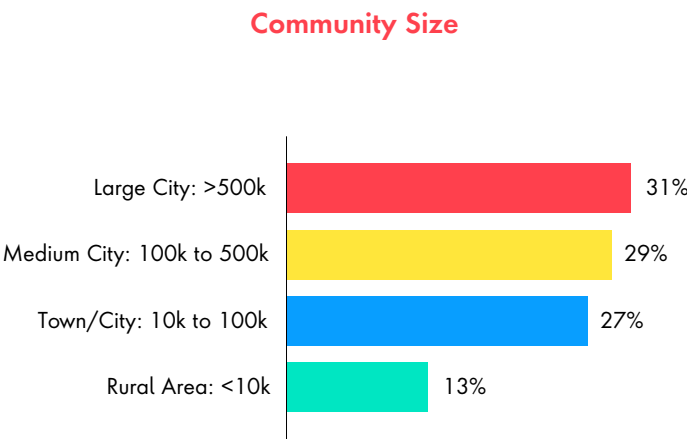
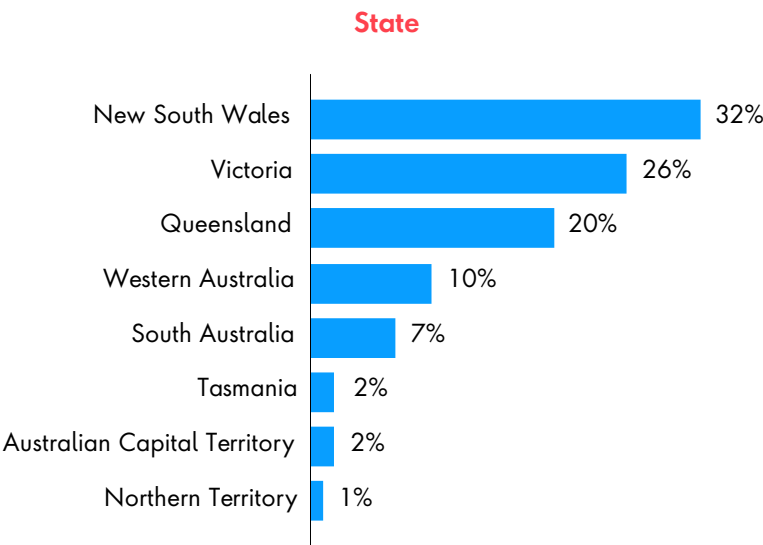
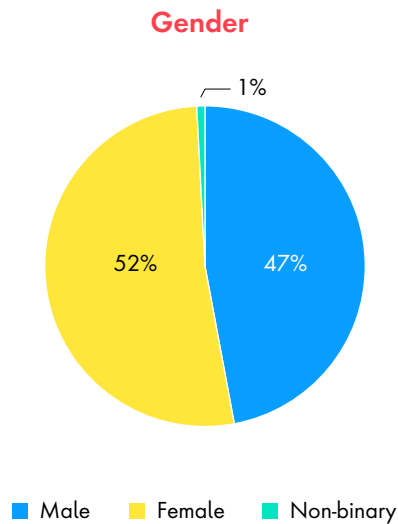
- 1 Examine the evolving relationship between citizens and government
- 2 Identify gaps in effective delivery of citizen-centric services
- 3 Define clear pathways for improved citizen experiences



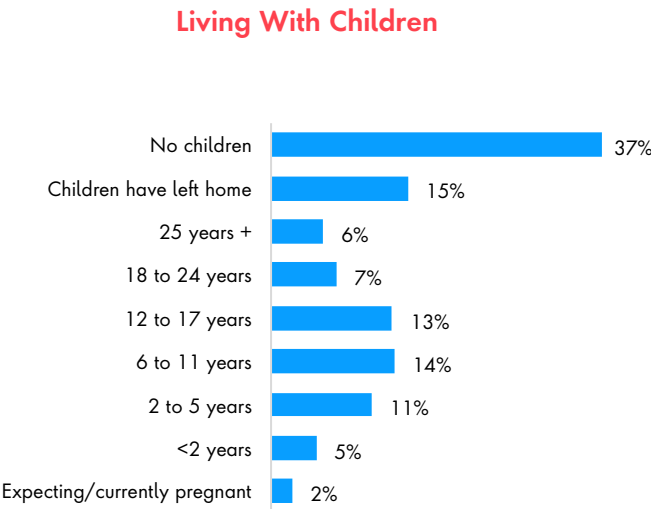
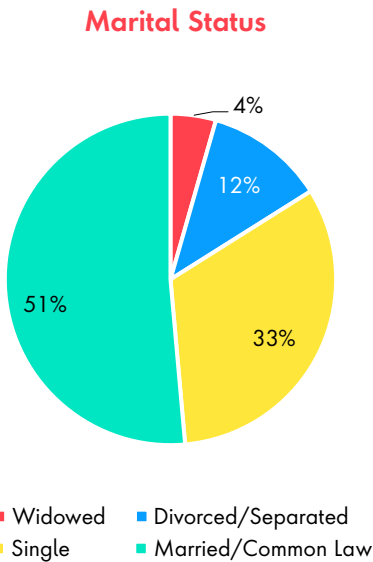
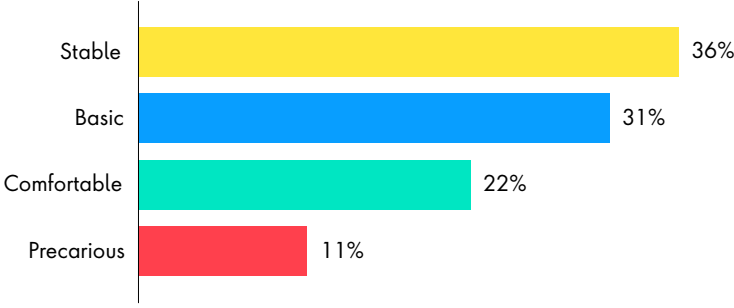
Research Approach and Key Demographics

The survey was run digitally in December 2022. The survey involved 5,066 participants

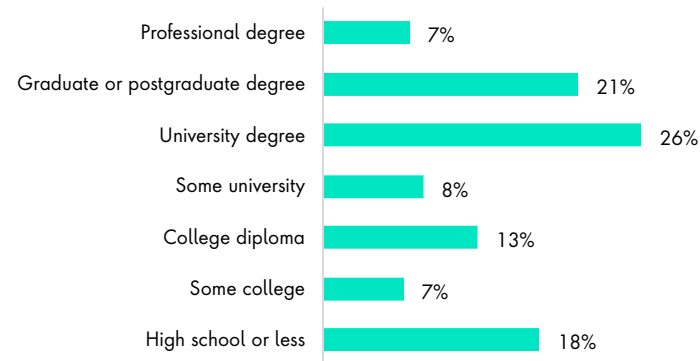
with every effort to achieve a broad range of demographic characteristics, reflecting the population of Australia.



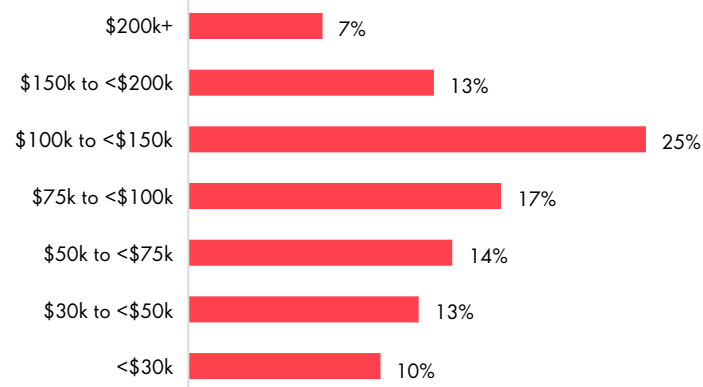
Of those who are working, what is their Financial situation?



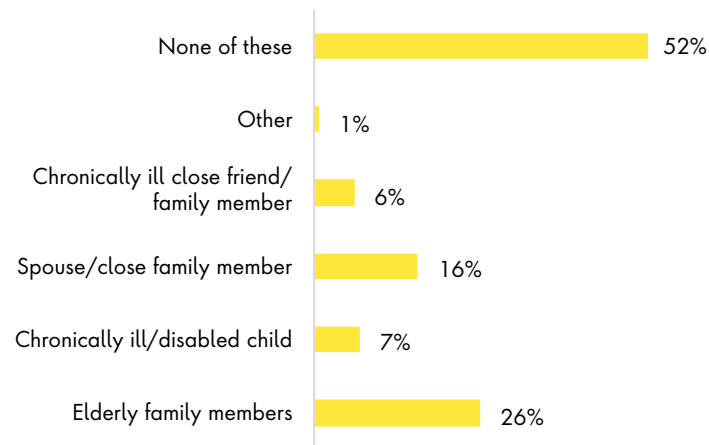
Higher Education



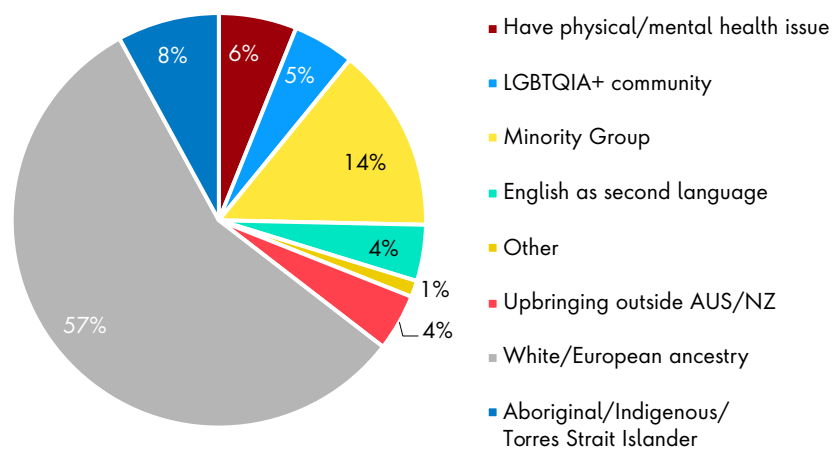
Household Income



Caregiver Responsibilities



Respondent Demographics*



*Minority classification in 'Respondent Demographics' graph is a combination of groups that identify either as: a minority ethnicity/race, having a minority cultural background or belonging to a minority religion

Service Groupings

We provided the following service groupings to respondents, with examples aligned to each to group, to understand usage and experience across key government service areas.

Service Area	Examples provided to respondents
<i>General</i>	MyGov
<i>Employment</i>	Australian JobSearch, TAFE or Apprentice and Skills support, Jobs and employment support
<i>Family Needs / Housing / Education</i>	Child Support, Social housing, Births Deaths & Marriages, Early childhood support, advice and registration, Schools support, advice and registration, Guardianship, National Redress Scheme
<i>Healthcare</i>	Department of Health Applications Portal, My Aged Care, My Health Record, National Cancer Screening Register, National Disability Insurance Scheme, Individual Healthcare Identifiers Service, Medicare, COVID-19 Support and Advice, Maternal Health, COVID-19 Support and Advice, Department of Veterans' Affairs
<i>Finance / Taxes</i>	Australian Taxation Office, Fines and debts, Business regulation, Grants and vouchers including Small Business Supports, State Revenue Office including payroll and land tax, Centrelink
<i>Transportation / Recreation</i>	Vehicle licencing and registration, Public Transport information, Parks and recreation advice or support
<i>Legal</i>	Dispute Settlement, Consumer Affairs, Human Rights advice and support, Planning applications, services or support, Land registry services and support, Emergency services advice or support, Justice services and supports including Victoria Police, Courts and Legal Aid

Setting the Scene

Popularity of digital government services among Australian citizens soars

The pandemic made digitalisation an imperative. For years, governments explored tech adoption to streamline paper-heavy tasks and reduce the reliance on legacy infrastructure, subsequently making minor changes in service delivery for short-term improvements in consumer satisfaction.

Today, governments have recognised that citizen expectations have evolved, and that citizen-centric services are crucial for effective public administration. As digital transactions are quicker, more convenient, and mobile, they are swiftly becoming the preferred channel for citizens to access government services.

In Australia, the number of people using digital government services rose across all age groups in 2021. With COVID-19 restrictions in place, people became increasingly accustomed to digital interactions, resulting in a growing confidence in, and demand for, e-government services.



This trend persisted in 2022, with transparency, accessibility, speed, and user-friendliness driving a more permanent shift to digital services.

There has been a notable rise in digital government services among the elderly –

**61%
to 85%**

used at least one digital government service.

Australian citizens now expect a wider spectrum of digital services to support evolving needs, especially in digital voting (31%), mental health services (29%) and digital driver's licences (26%).

The report also found a strong uptake in digital mental health services to support growing levels of psychological distress among citizens. The findings reveal that such services were accessed at least once among working professionals (78%), those who experienced a major life event (81%), caregivers (86%) and those with university level education or higher (83%).

Meanwhile, new and emerging technologies are driving more Australians to adopt them in their daily lives. The research shows that over half of Australians (63%) have practical knowledge of emerging technologies, with 15% indicating they have deep knowledge and interact with these technologies frequently, including AR, VR, XR, Web 3.0 and digital currencies.

However, the digital divide persists – especially among older and more vulnerable populations, those with poor digital literacy skills, and minority and indigenous groups. People in larger cities are also more likely to be more digitally savvy and technologically adept than those from rural areas.

As momentum around digital services builds, the government and public sector are assessing the key capabilities required to deliver connected experiences across the full spectrum of service needs. By analysing the motivations, preferences, and pain points of their citizens, governments can be better prepared to deliver more connected experiences in the future.

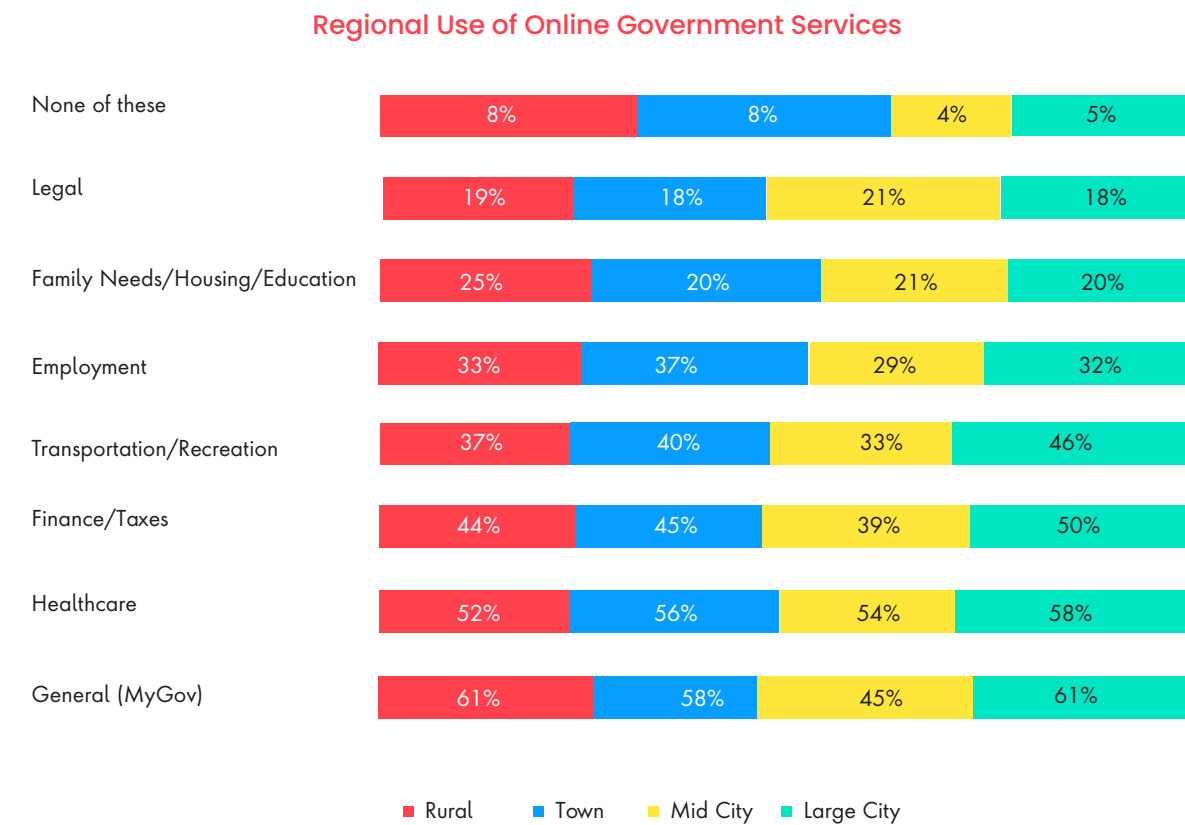
Top priorities for governments to scale digitalisation:

- 1 Reduce the digital divide through digital skills enhancement
- 2 Ensure seamless integration of digital technology across existing channels
- 3 Improve collaboration with the private sector



Interstate and geographic comparisons

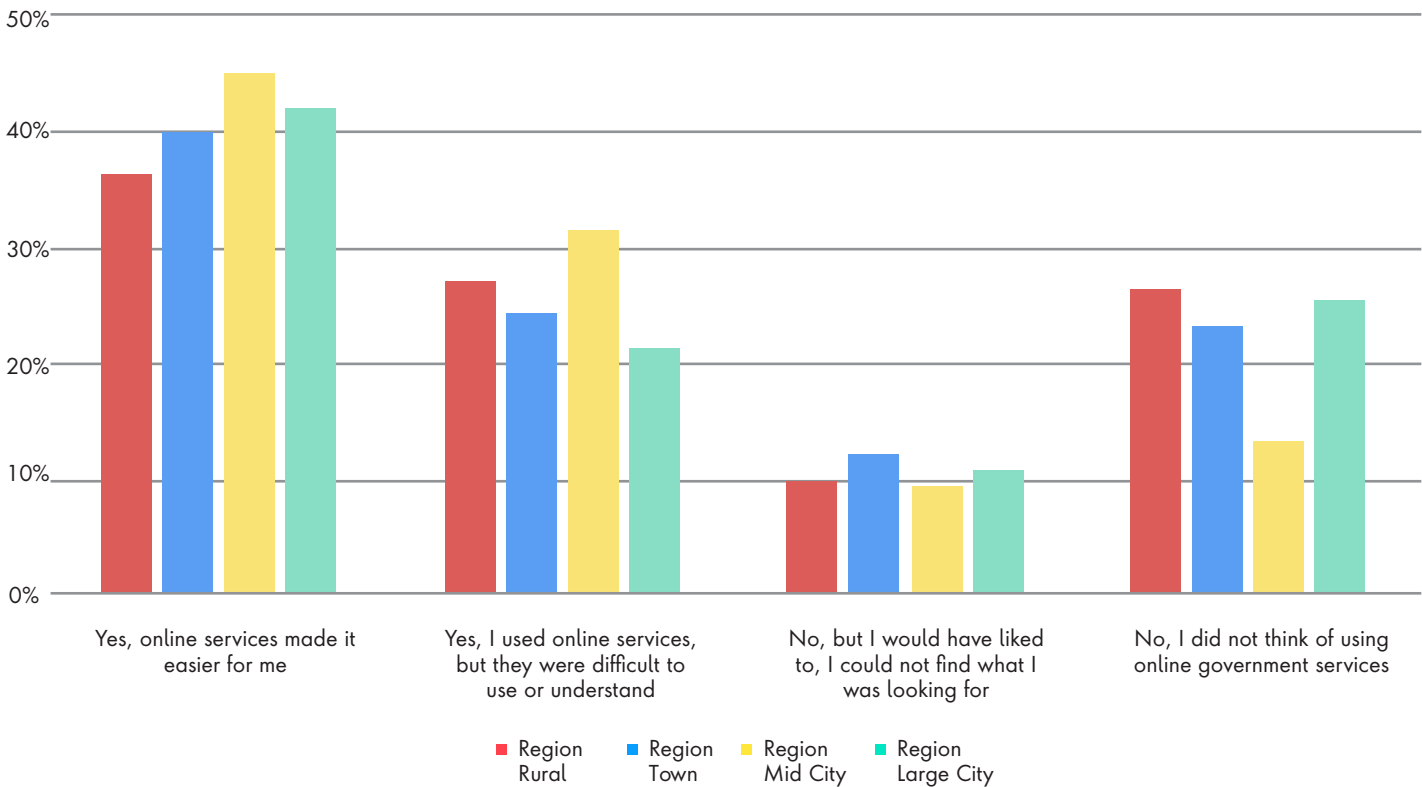
Those in regional and rural areas are twice as likely to have not accessed Online Government Services than respondents in Mid or Large Cities.



Note: This was a multi-select question which allowed respondents to select all applicable online .gov services used

- General (MyGov) & Health Care were the two most highly accessed services across the regions
- Responders from a Mid-Sized City (77%) are the most likely to have used an online government service, which is more than 10% higher than usage by other regions. However, they were also the region which found the most difficulty in using the services, (32%)

Regional Comparison



Australia's digital opportunity

A slow but steady journey, Australia's digital transformation began long before the pandemic. National estimates put the potential benefit of digitalisation to the economy at roughly \$315 billion over the next decade, with the creation of up to a quarter of a million new jobs expected by 2025².

The 2023-24 Federal Budget included an investment of over \$2 billion in data, digital and ICT solutions to modernise outdated legacy platforms and IT systems to pivot Australia as a leading digital economy.³

This report reinforces the demand for more government digital services across Australia and highlights a growing preference among citizens for technology.

The survey findings reveal that a vast majority of Australians used at least one digital government service in 2022. Australians also rate digital government services highly, with most services viewed as either good or very good, a sentiment that remains unchanged from the previous year.

Technology plays a big part in Australians seeking digital support during major life events, including births and marriages. Two-thirds of Australians experienced an important life event in 2022, such as the birth of a child, purchase of a home, marriage, or death of a loved one, and the majority engaged with online government services related to these events. A key area of opportunity is for government services to deliver more user-centric experiences to support these major events in a person's life.

For example, New South Wales⁴ is developing the NSW Digital ID program to issue a digital birth certificate, which will improve convenience, accessibility, and security. Expanding the scope of digital services through initiatives like this will help deliver greater convenience and accessibility to government services during key events in a person's life.

Top 10 Digital Citizen Highlights in 2022

1 The popularity of digital government services in Australia is soaring, with 94% of Australians using at least one digital government service in 2022

2 Technology continues to play an indispensable part in major life events, with 92% and 88% of Australians seeking digital government services during births and marriages, respectively

4 Australians want more digital services to support evolving needs, especially across digital voting (31%), mental health services (29%) and digital driver's licence (26%)

6 Mental health issues are on the rise, with 75% of those who experienced mental health issues seeking professional support services on at least one occasion in the past 12 months, and 78% of working professionals accessing digital mental health services

8 Data breaches are inhibiting wider adoption of myGovID digital identity as 61% of respondents were victims of cyber-attacks, scams, or identity theft in 2022

10 Rural Australians are reluctant to use digital services and were almost twice as likely than other respondents to never access digital government services

3 Digital government service usage is burgeoning among digital natives, with 62% of Gen Z and 74% of millennials using technology to support key life events

5 Australian citizens are enthusiastic about new technologies, with over half (63%) expressing they have a practical knowledge of emerging technologies

7 Digital identity methods are very popular as 81% of Australians express having used them and 85% can identify at least one benefit of using the myGovID digital identity

9 Mid-sized cities are more tech-savvy than rural areas, with citizens significantly more likely to have signed up to myGovID compared to rural respondents



² Australia's Digital Economy Strategy Launched, Australian Government

³ Digital and ICT Investment Oversight Framework, Australian Government

⁴ NSW Government Boosts Digital Innovation for All, NSW Government

Unlocking *the* Benefits *of digitalisation for government*

Australia's digital economy has grown strongly in recent years. But there are still opportunities to tap burgeoning mobile penetration and digital literacy to expand digitisation so that new geographies and population demographics can benefit.

By making digitalisation a business imperative, the public sector stands to gain enormously from improved efficiency and cost-effectiveness.⁵ The Federal Government has accelerated reforms and eliminated regulatory barriers to drive the uptake of technology across the economy.

Benefits are also being seen at a state level. According to data published by the NSW Government, citizens have saved millions of hours thanks to 60 time-saving initiatives developed by the Department of Customer Service⁶. These digital technologies have vastly improved management of resources through smarter spending, and enhanced accountability and trust.

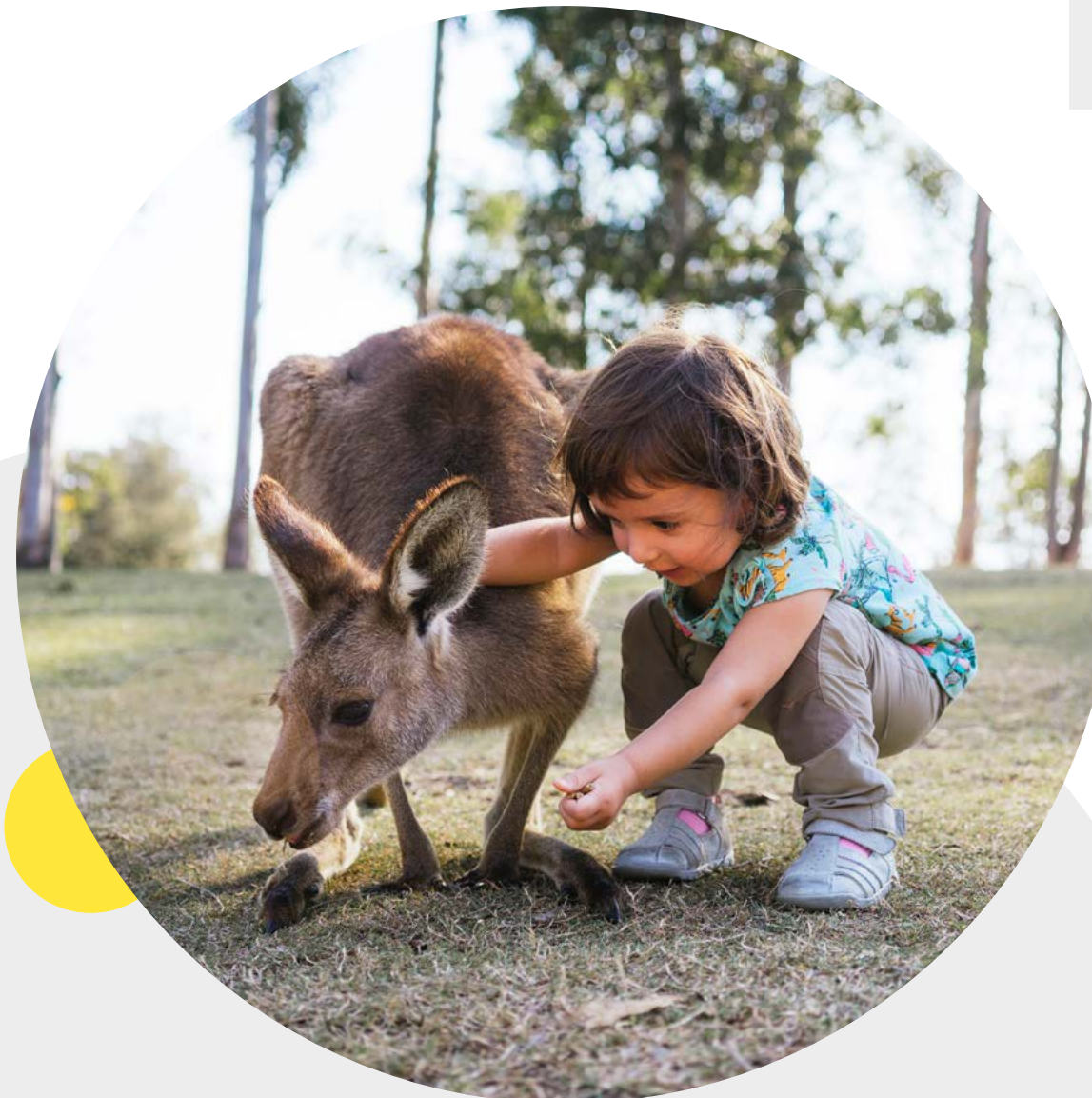
Australia stands to unlock a \$224 billion⁷ economic opportunity if both the public and private sectors expand digital innovation. These savings for the federal and state governments could be redirected to other infrastructure and service improvements – including new roads and healthcare expansion.

By leveraging AI, IoT, ML and other digital tools, governments can accelerate citizen outreach and optimise their own resources. This is likely to drive improved collaboration with citizens and involve them in decision making, policy development, and design of services.

In addition, governments can become catalysts for private businesses, social enterprises, and citizens to come together to jointly develop innovative services and business models that benefit society.

Key outcomes of digitalisation of government services:

- 1 Effective allocation of resources and reduction in overall costs
- 2 Improved efficiency, transparency, and accountability
- 3 Enhanced business and industry collaboration
- 4 Citizen empowerment and improved trust in government services



⁵ *Digitalization and Data can Vastly Improve Public Service Delivery for Citizens*, World Bank Blogs

⁶ *Faster, Easier, More Customer-Centric Government*, NSW Government

⁷ *The Economic Impact of SaaS in Australia*: IBRS / TechnologyOne

Citizen-Centricity *and* Resilience



Digital channels have become an indispensable part of life for Australian citizens. The findings of this research demonstrate that citizens have successfully adapted to digital tools to access public services.

To keep the momentum going and build long-term value and resilience, governments will need to implement timely, technology-enabled change initiatives that address citizen pain points.

Encouragingly, the past two years have witnessed remarkable improvements in the end-to-end customer journey across both public and private sector touchpoints.

However, timely citizen feedback is critical for an in-depth understanding of the experience delivered, and to identify gaps that need to be plugged to improve service.

The NSW Government relies on citizen insights to make improvements to the customer journey. Its State of the Customer report which captured feedback from 30,000 people revealed that a majority of citizens found it easy to interact with NSW Government services and that the information they accessed was simple to understand.⁸ Such insights are invaluable when developing and improving digital products, including the Service NSW App, which is widely used to access digital driver's licence, store credentials and verify personal identities.

Embedding citizen-centricity across the journey is vital to the success of digitalisation. This, coupled with speed, and personalisation will give digital government a competitive advantage over legacy systems in the future.

⁸ *Faster, Easier, More Customer-Centric Government*, NSW Government



Key Findings



Insight 1

More Australians are using digital government services

with myGov, healthcare and finance emerging as the most popular in 2022.

Largely driven by necessity, the pandemic compelled more people to access government services, healthcare, and financial solutions virtually. This shift has now become a choice, and this research shows that since 2021, the proportion of Australians using digital government services increased across all age groups. A vast majority (94%) of Australians used at least one digital government service in 2022.

MyGov (56%), healthcare (55%) and financial services/taxes (45%) were among the most accessed digital government services in 2022. Healthcare services (92%), transportation/recreation services (92%) and general (MyGov) services (89%) also registered the highest positive rating amongst the listed digital government services.

Initiatives are underway across Australia to integrate patient data and use information effectively. The Australian Digital Health Agency (ADHA) is championing

the development and implementation of the National Digital Health Strategy⁹ to increase access to useful medical information, secure a trusted information network, and support the interoperability of data across the supply chain. The 2023-24 Federal Budget also included a \$824.4 million investment in digital health to transform the My Health Record system and support other digital health initiatives¹⁰.

Similarly, seamless online payment technologies are accelerating consumer appetite for digital services in banking and finance. Opportunities beckon for financial services organisations looking to leverage their operational success for further digital transformation. By improving IT infrastructure and applications, financial institutions can take advantage of evolving customer attitudes to technology and support the growing shift to digital interactions.

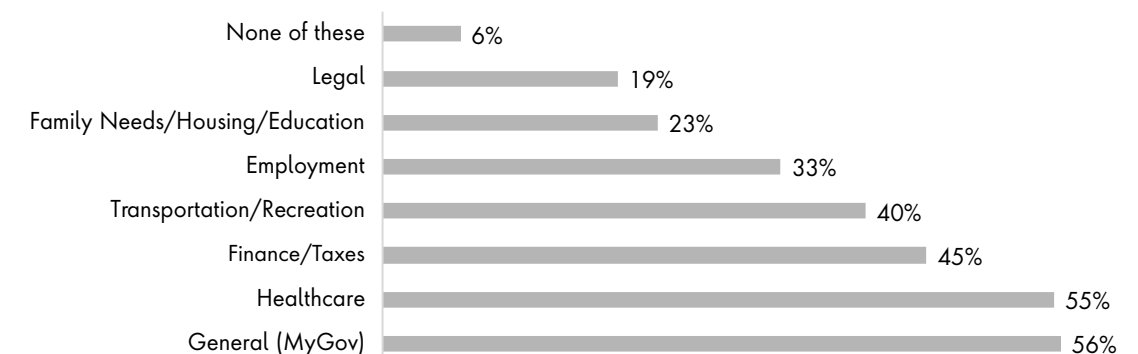
Despite a surge in tech adoption among older populations from 61% to 85%, millennials remain the most likely to use digital services.

A key area of opportunity for governments is to continue to build and broaden digital government services among builders to improve their digital literacy.

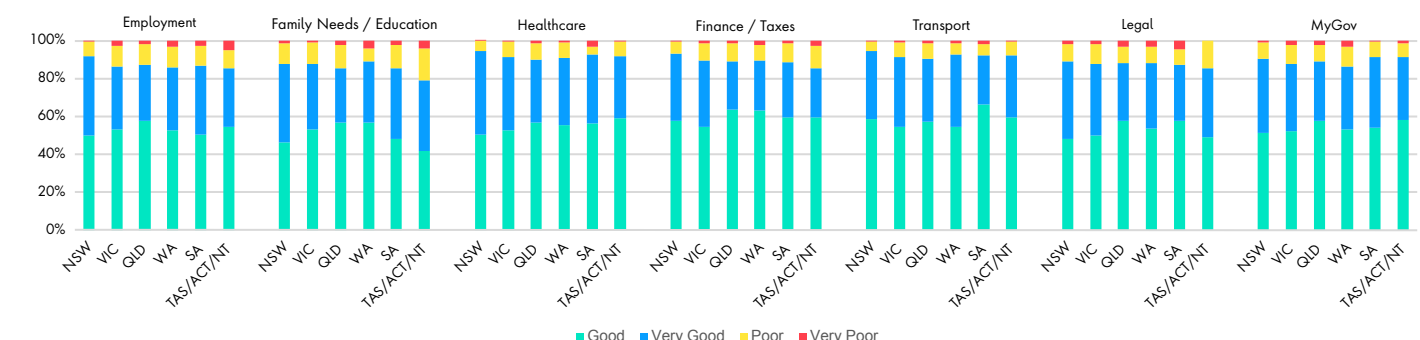
The Be Connected¹¹ initiative launched by the Australian Government encourages and assists older populations to learn the basics of digital technology: how to use a digital device, how to safely shop and bank online, how to navigate myGov, and how to stay in touch with family and friends via social media. Expanding such services will play a critical role in eliminating digital isolation among elderly populations.

Across healthcare and financial services, improved co-operation will facilitate the implementation of priority digital solutions and accelerate innovation. Many organisations have begun to independently invest in their own digital solutions, but inter-agency co-operation and strong public-private partnerships will be key to standardising best practices and delivering value to customers.

Government services accessed online



State by state ratings of digital government



⁹ Safe, seamless and secure: evolving health and care to meet the needs of modern Australia. Australia's National Digital Health Strategy

¹⁰ Strengthening Medicare. Budget 2023-24

¹¹ Be Connected – improving digital literacy for older Australians. Department of Social Services, Australian Government

Spotlight

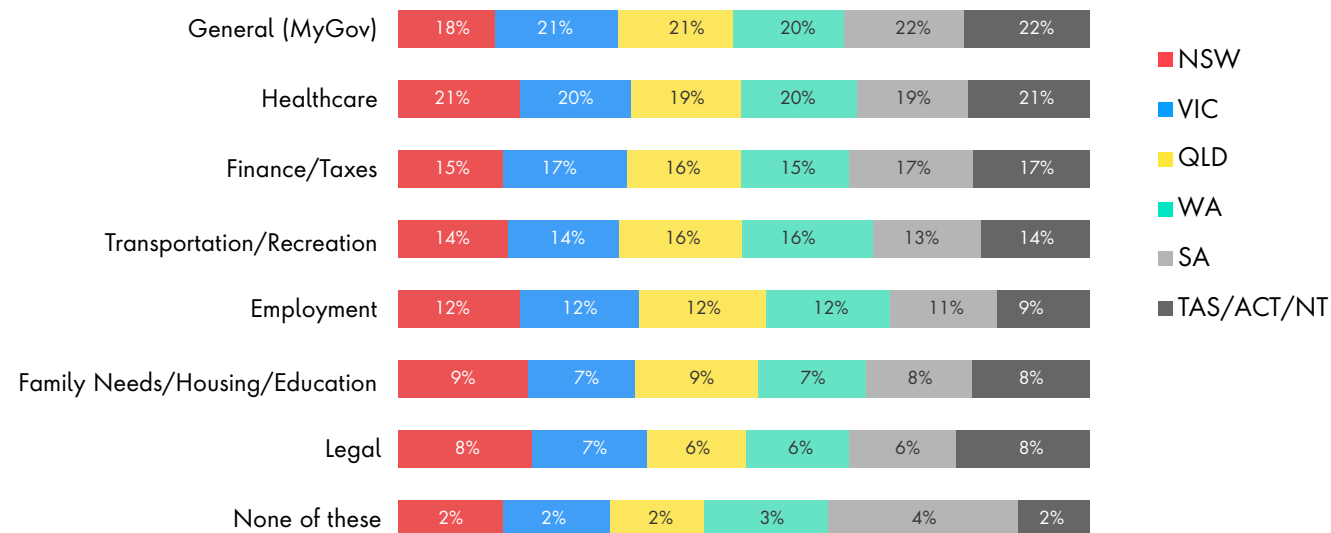
NSW outshines other states in digital government service delivery

NSW continues to excel in its delivery of digital citizen services through useful, inclusive, and easy to access services and experiences. The state reports the highest satisfaction for digital services compared to any other state.

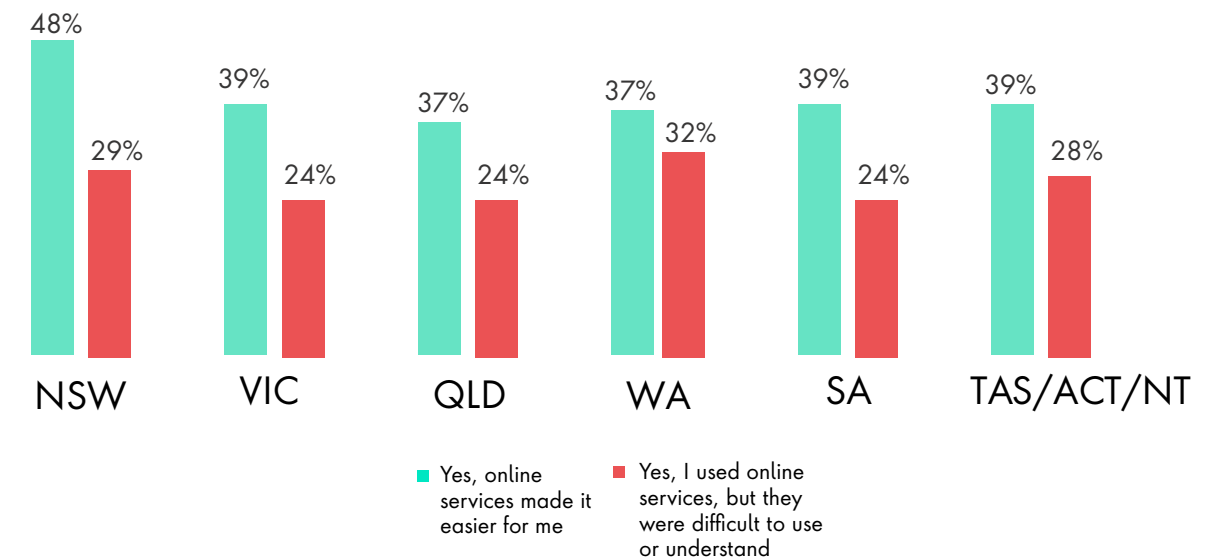
NSW services are also better placed than any other state, with 48% of respondents indicating that using online services made tasks easier, compared to all other states which scored less than 40%. Of those who reported a marriage life event in the last 12

months, NSW respondents (16%) were more than twice as likely to use digital services compared to all other states, except for WA (11%).

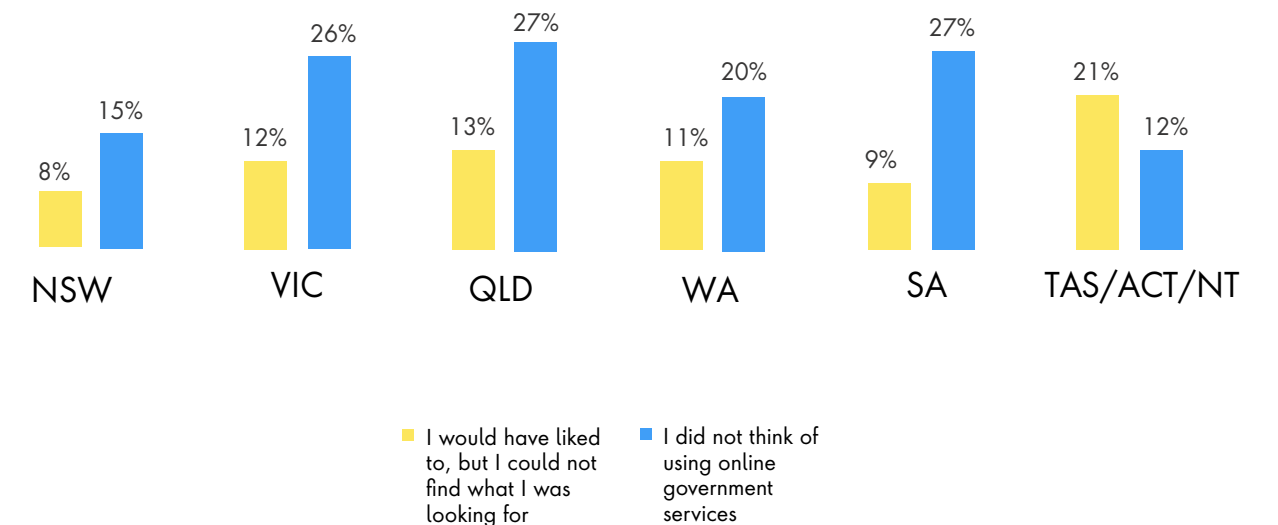
Use of Online Government Services



Satisfaction using Online Services during life event



Reason for not using Online Service during life event



Spotlight

Growing appetite for digital government services to support key life events

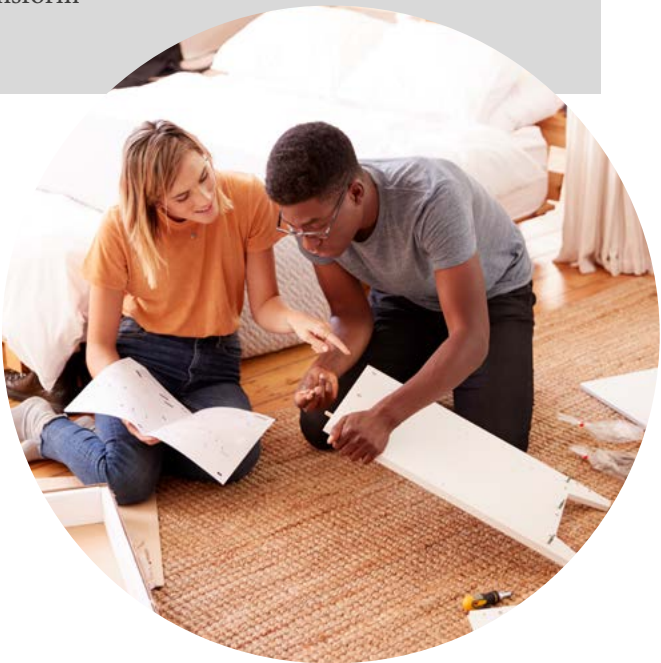
Major life events – whether the birth of a child or the death of a loved one – have significant social and psychological impact on an individual. Publicis Sapient's research shows that Australian citizens value digital government services during disruptive life events, with 42% stating that digital services simplified administrative tasks. Only 32% said they did not use a digital service during a big life event.

Furthermore, the proportion of Australians experiencing major life events in the past 12 months

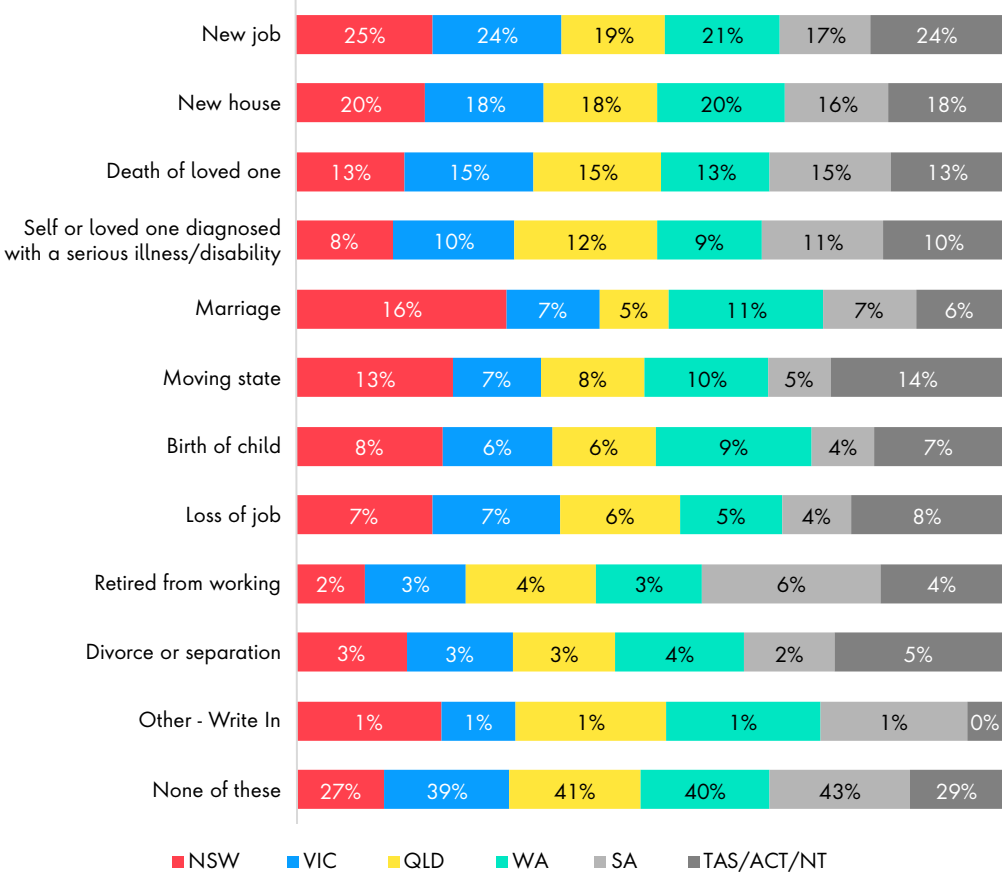
has gone up from 60% to 65%. Additionally, 68% of those who experienced a major life event used online government services related to the event. The top life events remained unchanged from the previous year – new job (23%), new house (19%), death of a loved one (14%) – however, digital government services were most likely to be used during births (92%) and marriages (88%).

There is significant opportunity to encourage wider adoption of digital services to help citizens effectively navigate transform-

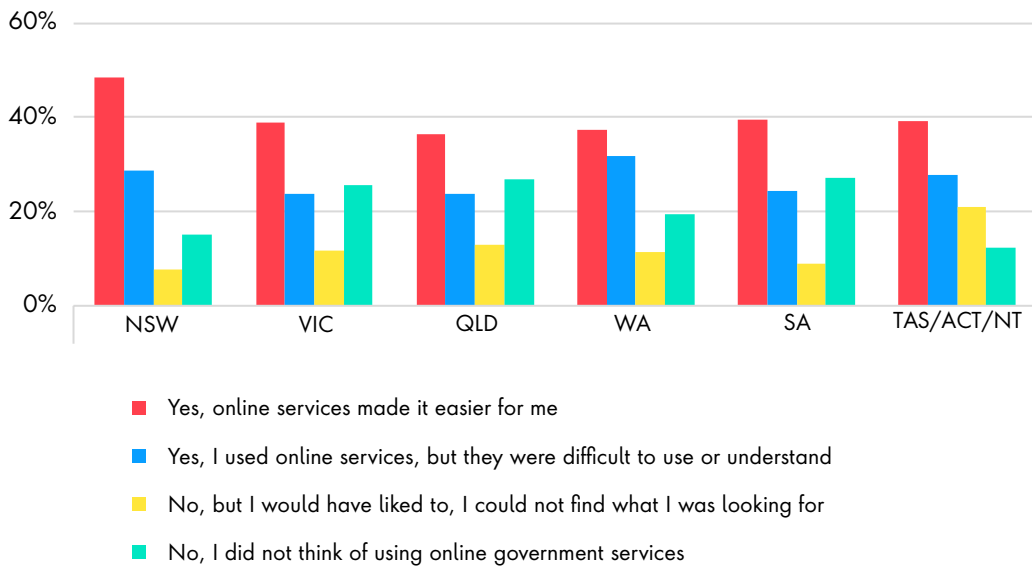
ational events in their lives. Better connected services across federal and state jurisdictions will ensure that online government services are used most effectively during crucial life events. Improved data and analytics or digital identification management can also plug low points in the customer journey and offer a comprehensive view of how citizens are using digital services.



Life Event Experienced by State



Use of online government services related to life events



Road Ahead

Australia's public sector services industries have made remarkable progress in strengthening their digitalisation efforts. However, digital platforms require updates to improve personalisation and engagement. Wider investments in data analytics to keep track of user behaviour and feedback could radically transform the citizen experience in the future.

This, coupled with a citizen-centric engagement strategy, will drive successful digital transformation. The first step is to recognise that improved digital engagement is not about overwhelming people with information. Eliminating technical difficulties, speeding up processing time and improving overall functionality will strengthen trust and credibility in government digital services.

Publicis Sapient Citizen Highlights

- 1 Healthcare and finance are the most favoured digital government services, with the highest positive rating (92%)
- 2 MyGov (56%), healthcare (55%) and financial services/taxes (45%) were the most accessed digital government services in 2022
- 3 42% of Australian citizens believe that using digital government services during major life events eases tasks



Insight 2

Australians want more digital services

with digital voting, mental health services and digital driver's licence among the top 3.

A key aspect of the digital citizen journey is expanding the scope of service delivery to include newer areas of government. This research has revealed that Australian citizens expect a wider spectrum of digital services to support evolving needs, especially across digital voting (31%), mental health services (29%) and digital driver's licence (26%).

There are differences in citizen sentiment across geographies and demographics: more Victorian respondents requested for all three services (digital voting, mental health services, and digital driver's licence) than NSW respondents. Older Australians (boomers and builders, 26% and 36%, respectively) were also more likely to say that none of the listed services should be introduced or improved, compared to Gen Z (11%) and millennials (6%).

Digital voting is not new to Australia. The NSW Electoral Commission has worked closely with its commercial partners to offer internet voting for people who might find it difficult to participate in the democratic process. However, the Electoral Commission decided that iVote would not be used in any intervening elections between 1 July 2022 and 25 March 2023.¹² The technology to expand digital voting in Australia exists but citizen engagement is key to build and maintain trust in the process¹³.

Following the launch of the digital driver's licence (DDL) in NSW¹⁴, officials estimate that more than half of the state's eight million people use the associated Service NSW App, which also offers access to many other government services. Victoria also announced a digital driver's licence pilot for Ballarat that will lead to a state-wide rollout by 2024, where every Victorian driver will have the option of carrying their licence on their phone.¹⁵

A key area of opportunity is to establish standards around interoperability and data privacy to scale digital driver's licences across states and territories.

Family needs, housing, and education services (87%), employment services (88%) and legal services (88%) scored the lowest for use of online government services, signalling an urgent need to examine gaps in service delivery across these categories.



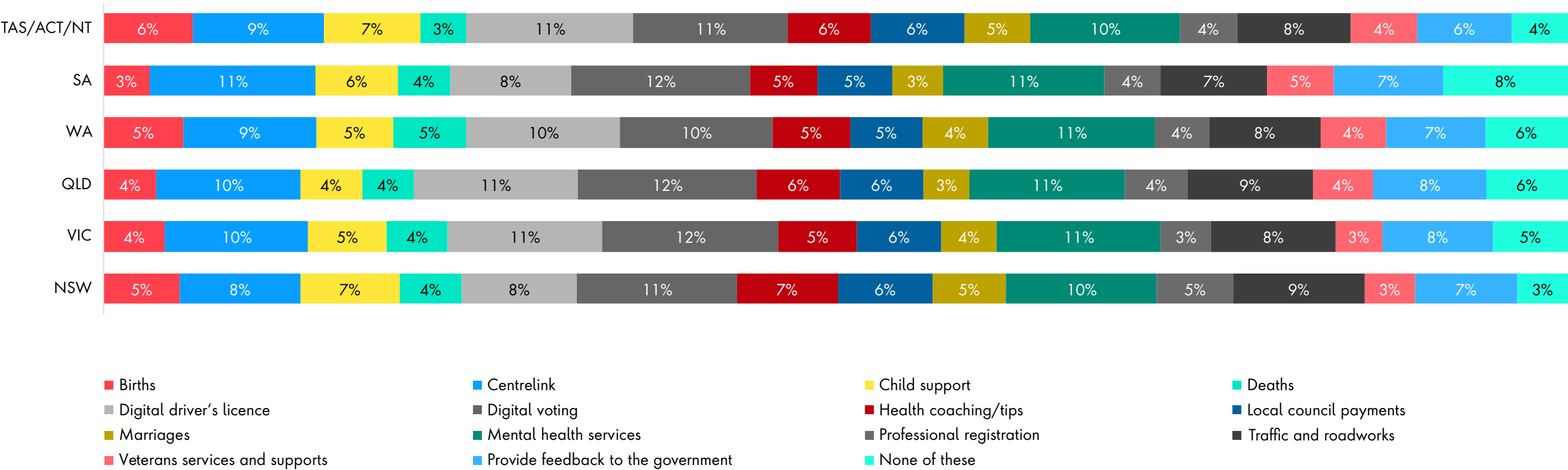
¹² [Electoral Commissioner's determination - iVote will not be used for 2023 NSW State election](#), NSW Electoral Commission

¹³ [Electronic voting at federal elections](#), Parliament of Australia

¹⁴ [Australian digital driving licenses can be defaced in minutes](#), The Register

¹⁵ [Digital Driver Licences On The Way For Victorian Motorists](#), Premier of Victoria The Hon Daniel Andrews

Digital voting, mental health and digital driver's license are the key services Australians want improved or introduced in 2023.



Spotlight

Uptake in Digital Mental Health Services

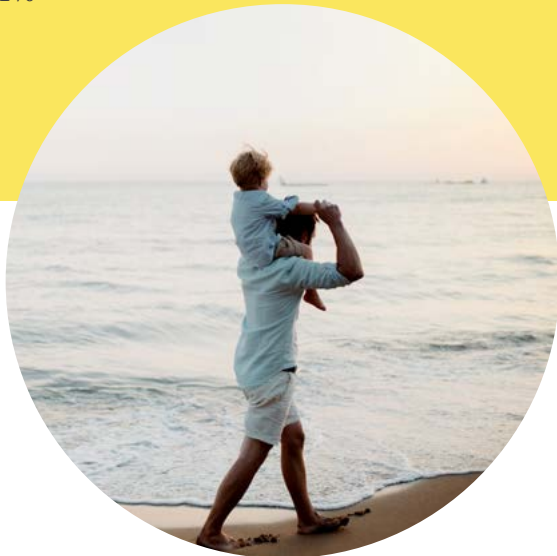
Mental health is a growing area of concern, with the World Health Organisation (WHO) estimating that close to a billion people have mental health disorders¹⁶. An alarming 6 out of 10 Australians experienced mental health issues in 2022 – which this research suggests is a 12% rise year-on-year – from 57% to 64%.

Stress related issues (27%), depression (26%) and anxiety disorders (25%) were the issues most likely to impact Australians, with younger generations (Gen Z and millennials) significantly more likely to experience mental health issues compared to older Australians. Other groups disproportionately impacted by mental health issues include minorities (73% compared to 58% non-minorities), caregivers (75% compared to 53% non-caregivers) and those who are working (69% compared to 51% non-workers).

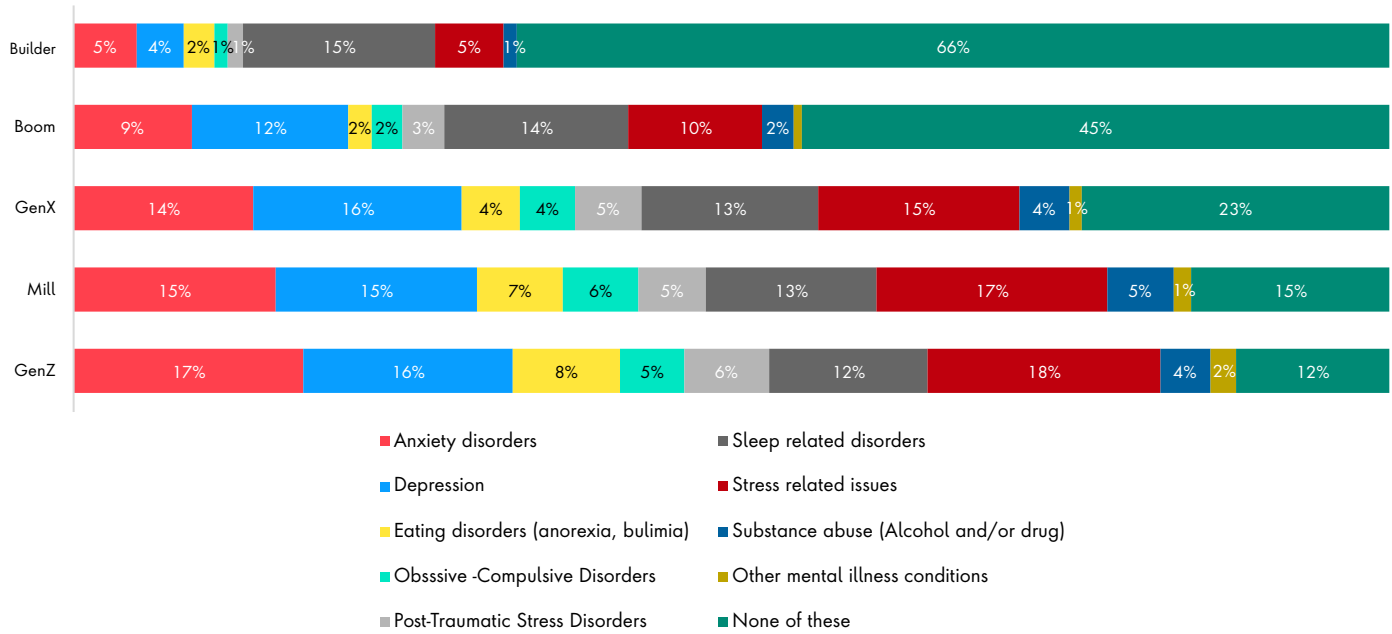
For Australians who experienced a mental health issue, the first port of call is still most often their Local GP (36%). However, since the pandemic, there has been a substantial uptake in digital mental health services in Australia¹⁷. This is backed up by our findings, which show that around 1 in 3 (29%) of those seeking support prefer online services, a preference that was particularly notable amongst rural and town-based respondents. This suggests that those in more remote areas are likely to overlook potential usage concerns in favour of the benefits digital services can offer.

Those most likely to use online counselling services were caregivers (31% compared to 13% of non-caregivers), men (26% compared to 20% women), and notably, households with incomes above \$100k (27% compared to 19% of households with income below \$100k). Those with a university level education were also twice as likely to access online counselling compared to those without (28% vs 14%).

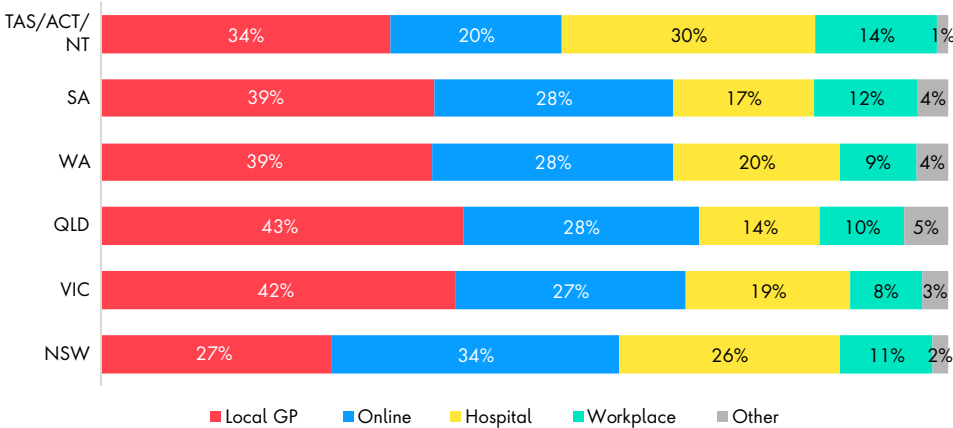
Digital offerings can increase the availability of services and likelihood of uptake for people that can't or won't traditionally attend a mental health support service in person. However, when expanding or digitising these services, the focus must remain on human needs, interactions and connectedness with real people.



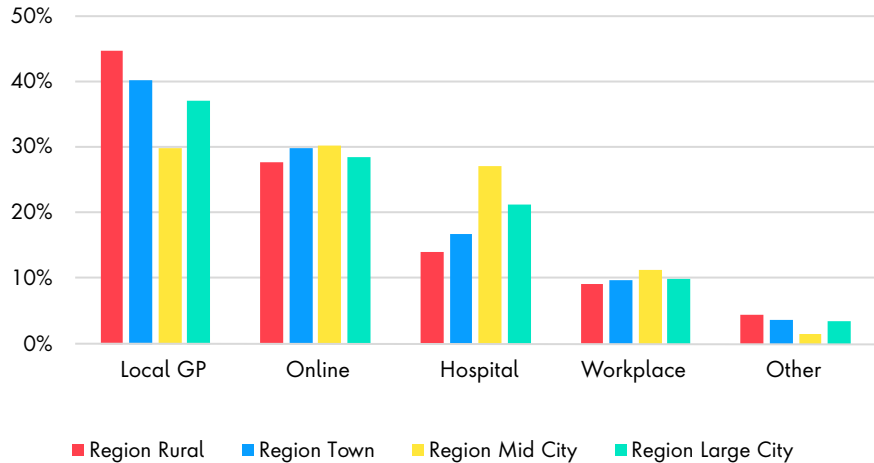
Mental health issues experienced by age group



State Support Preferences



Regional Support Preferences

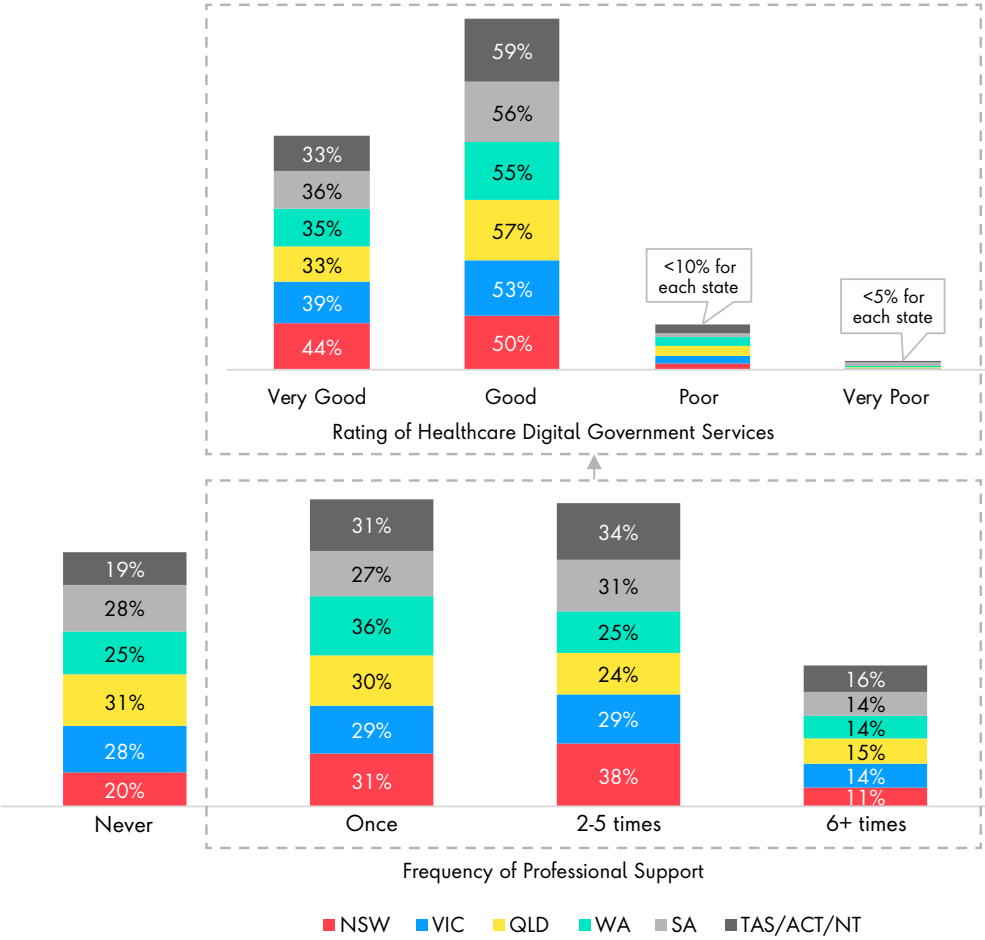


16 Nearly one billion people have a mental disorder: WHO, UN News

17 A tale of two countries: Increased uptake of digital mental health services during the COVID-19 pandemic in Australia and New Zealand.

Australians who seek professional support for mental health issues at least once generally have a positive perception of digital healthcare government services.

Frequency and rating of services by state



Australian citizens are certainly more comfortable using digital health services, however regional disconnects must be addressed for digital government to expand to include new services and demographics. State governments are headed in the right direction when it comes to integrating services within their states or territories. For example, Service NSW¹⁸ and Service Victoria¹⁹ have successfully integrated government services on a single platform.

Taking this a step further and integrating services across state and territorial borders could eliminate the inconvenience of moving between jurisdictions when it comes to digital voting, mental health services, and digital driver's licences. This will also promote better engagement, enhance digital inclusion, and provide access to essential services across the country, irrespective of residency. It could also help address gaps in service delivery across family needs, housing, and education services, which scored poorly.

Publicis Sapient Citizen Highlights

- 1 There is a strong demand for expansion of digital services to include digital voting (31%), mental health services (29%) and digital driver's licence (26%)
- 2 The biggest areas for improvement are family needs, housing, and education services (87%), employment services (88%), and legal services (88%), which were given the lowest positive rating and were more likely to be rated very poor
- 3 Digital support services are increasingly important for the 64% of Australians who are experiencing mental health issues, with 1 in 3 of those affected preferring to find help via online channels

¹⁸ <https://www.service.nsw.gov.au/>
¹⁹ <https://service.vic.gov.au/about-us/our-story>

Insight 3

Most Australians use digital IDs and wallets

but privacy risks hinder wider adoption.

A majority of Australians (81%) use a digital identity method and 85% can identify at least one benefit of using the myGovID digital identity. They have also embraced virtual payments with a majority (72%) using a digital wallet on their mobile phone. This shift is driven by digitalisation of financial services and consumer preferences for fast, convenient, and secure payment methods.

Regulatory changes are also supporting a rapidly maturing digital economy as Australians preferred using the myGov digital identity over state-based authenticators. In fact, the number of myGov accounts has doubled in five years, with 1.4 million Australians using the service every day.²⁰ This research shows that myGovID digital identity (55%), Mastercard ID (28%) and Auspost ID (17%) were the three most cited digital identity methods.

While most Australians use digital wallets, uptake varies by state and age group. Victorians are almost twice as likely to not use digital wallets compared to those in NSW. Millennials (60%) and Gen X (58%) were the most likely age groups to use myGovID compared to Gen Z (46%), boomers (46%) and builders (42%). Citizens from Victoria and Queensland were slightly more likely to use the myGovID digital identity method compared to those in NSW.

There is also a link between higher levels of education and digital adoption, with those with university-level education and above more likely to use myGovID (61%) compared to those with education levels below university (44%). Households with incomes over \$100,000 (64%) were also more likely to use myGov compared to households with incomes less than \$100,000 (47%).

Caregivers are key users of digital IDs. Given that approximately half of all Australians are caregivers, 86% of them were found to assist a friend or family member with digital services. They are also twice as likely to have a digital ID, and almost twice as likely to use government services in relation to a life event.

Despite an overall positive sentiment around the usage of digital IDs, there is still hesitancy as Australians are aware that online transactions carry an element of risk. Research shows that citizens are willing to provide personal information to access government services even though they may not be 100% certain of data privacy.

The top three benefits citizens cite include applications, claims and notifications processed more quickly (45%), access to timely and relevant notifications about services (38%) and services personalised to your needs (38%). Minority groups consistently indicated that they thought personalisation and customisation would be a benefit, indicating some gaps in service delivery for marginalised sections of society.

Citizens are likely more interested in positive action being taken to mitigate risks and ensure transparency in the collection and use of data.

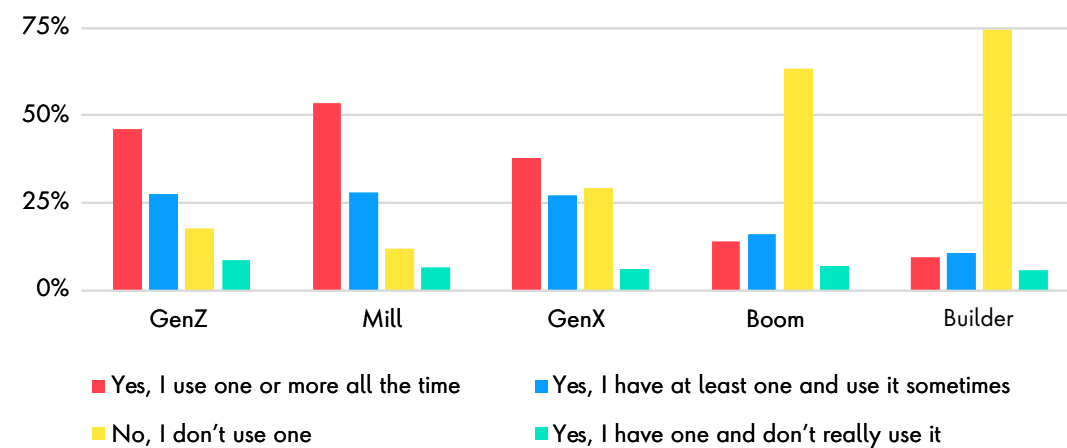
The 2023-24 Federal Budget included \$26.9 million in funding to expand Digital ID to improve efficiency and consumer protection, reduce fraud, and make it easier for people to access services online.²¹ Ongoing commitment to enhancing data security will play a key role in improving trust and confidence in digital government in the long-term.



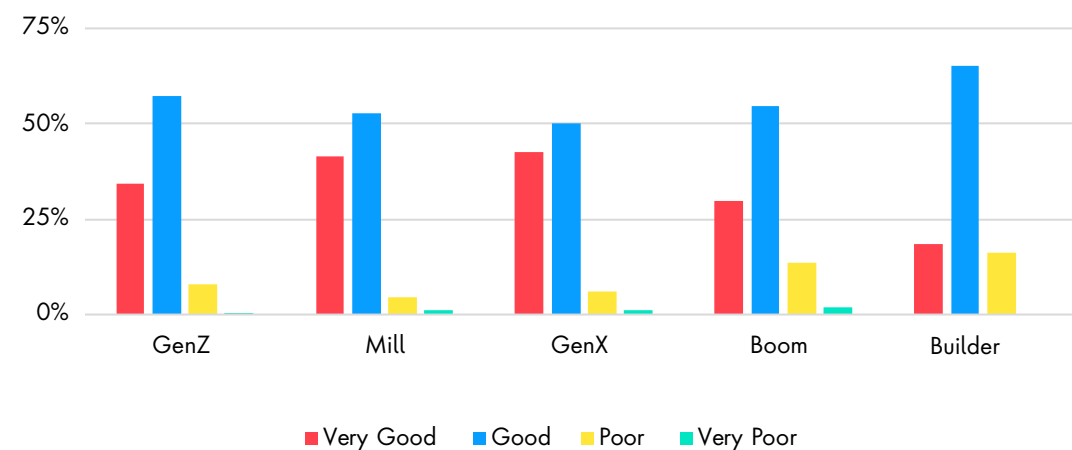
²⁰ *MyGov to transform as Australia grows, Department of the Prime Minister and Cabinet, Australian Government*

²¹ *Data and the digital economy, Budget 2023-24*

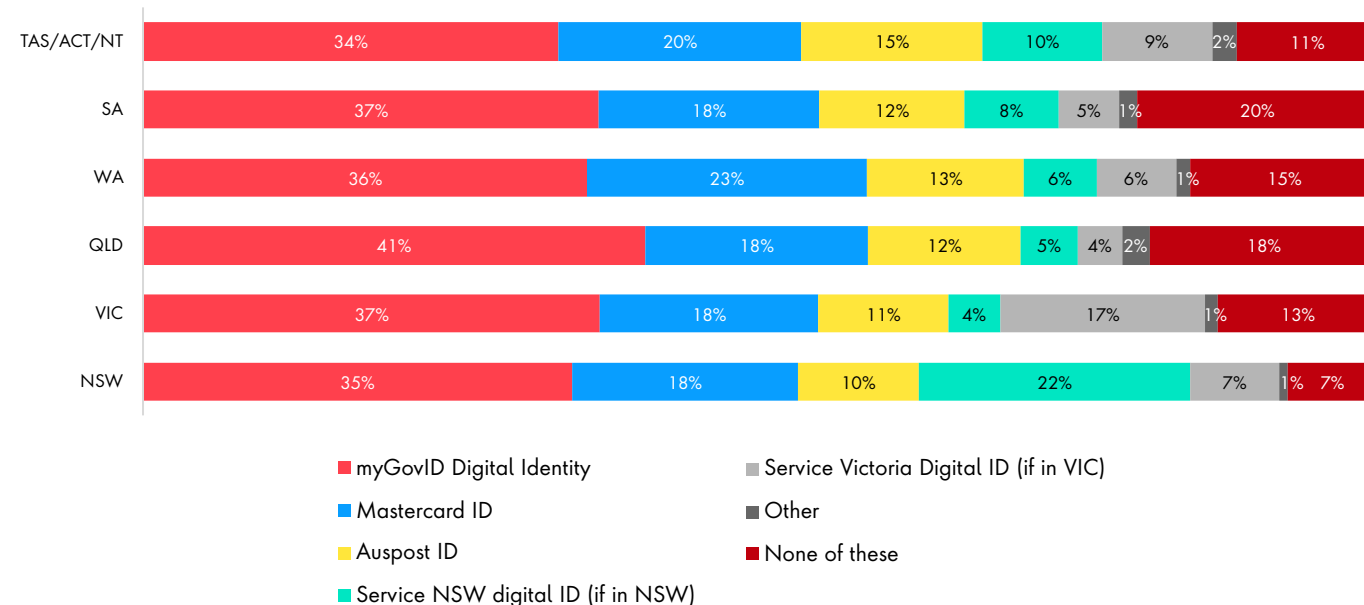
Do you use a digital wallet on your phone?



How would you rate the myGovID Digital Identity?



Which of the following digital identity methods are you most likely to use?



Spotlight

Trust and privacy issues slowing adoption of digital IDs

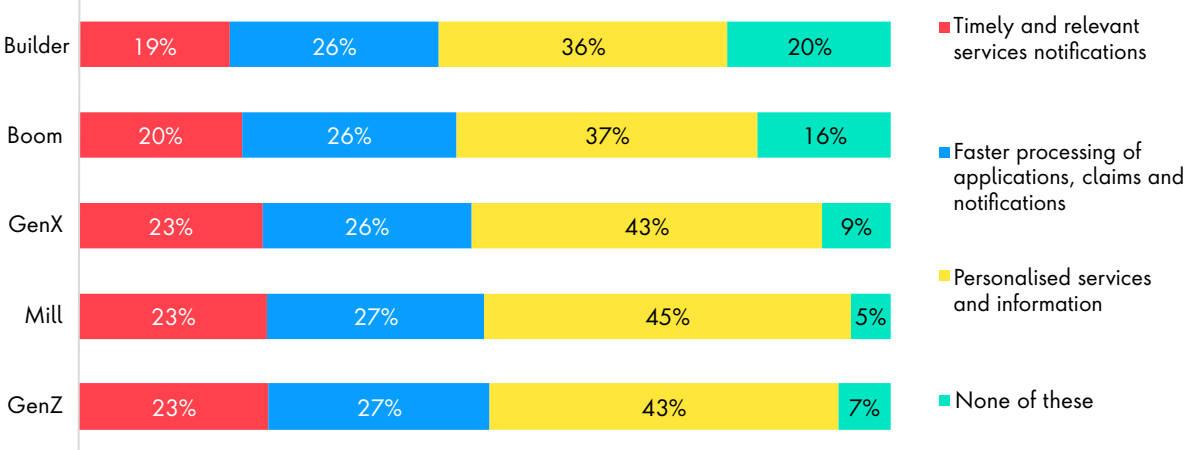
Despite the widespread use of digital IDs, Australians are less trusting of digital government services, particularly considering recent data breaches and security incidents. The top concerns include privacy breaches from storing data in a single source (30%), the perceived threat of not being able to access personal data (20%) and concerns around personal data being stored on government databases (19%).

Furthermore, 61% of respondents said they had fallen victim to a type of cyber-attack or scam, or identity theft. Citizens from NSW, TAS, ACT and NT were generally more trusting of digital government services compared to those from VIC and QLD, who are less trusting following recent data breaches. Despite boomers and builders being the least likely to experience a breach or attack, they appear to be the most distrusting of digital government services.

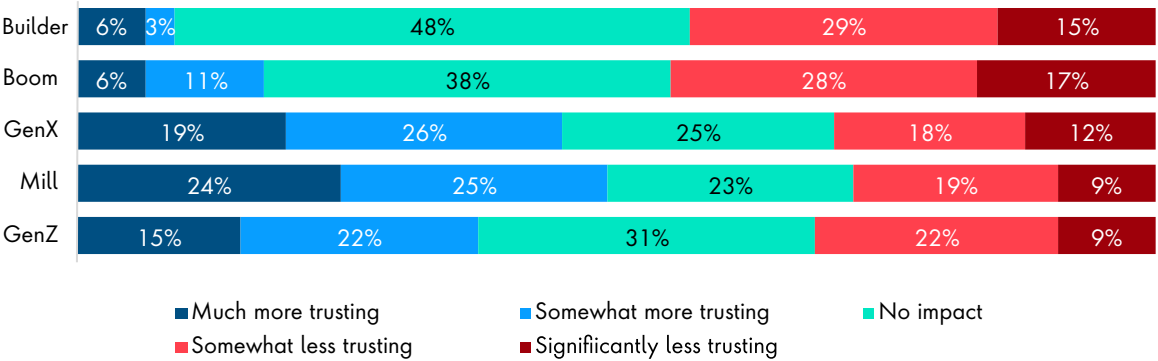
Privacy breaches (30%) were the top reason preventing those across regional Australia from using myGovID. Meanwhile, 19.3% of rural respondents were simply not interested in using a digital system, while town (22%) and mid-sized city (18%) respondents were most concerned about losing access and control of their data. Interestingly, 23% of large city residents raised none of the above concerns.

Citizens in mid-sized cities were also significantly more likely to have signed up to myGovID compared to those from other regions, almost 20% higher compared to rural respondents. Whereas both rural and town residents were more likely to be unsure if they had signed up at all compared to mid-sized or large cities. Across the regions, more than half of people reported having a digital wallet on their phone, with mid-sized city residents registering the most uptake and frequency of use. Those in rural areas were the most likely to say they did not use one.

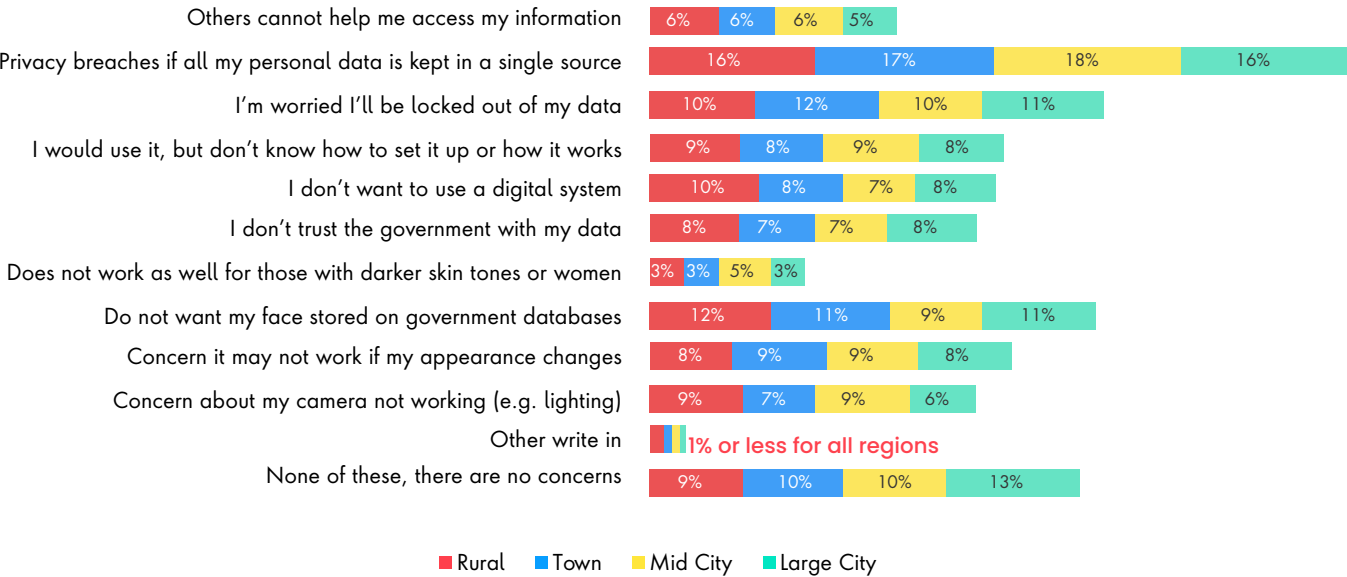
Benefits of providing personal information online to access government services



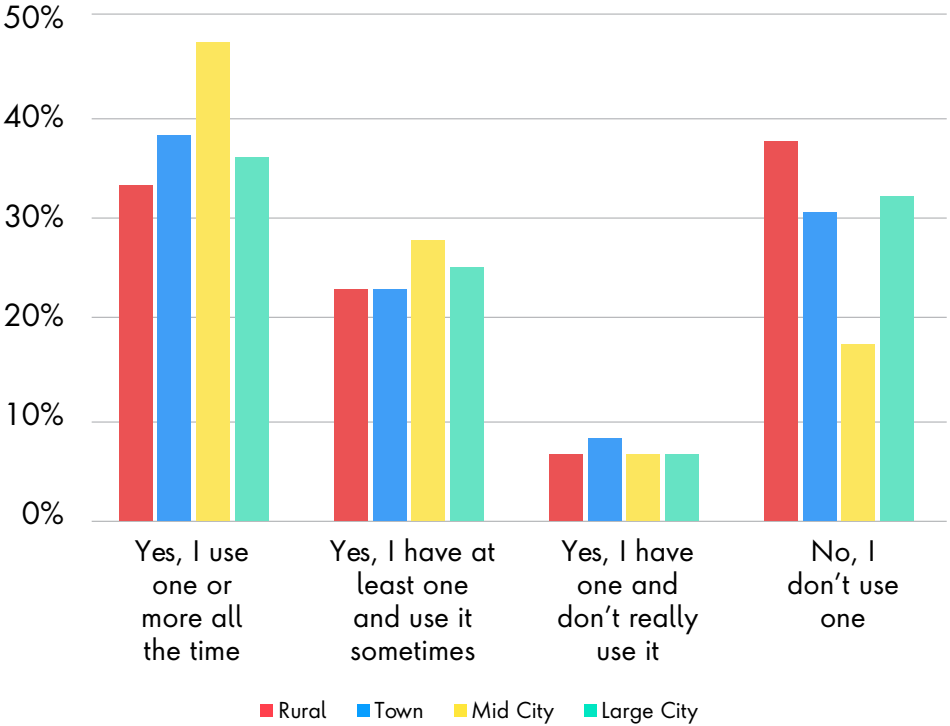
Have recent data breaches and security incidents impacted your trust in using online digital government services?



What would prevent you from using MyGovID?



Do you use a digital wallet on your phone?



Road Ahead

Citizens are increasingly aware of how powerful their identity-related information can be. Despite a growing desire to protect and be in control of it, citizens are willing to engage in services that require sharing personal information. This indicates a non-zero-sum game between trust and convenience, where the ease of convenience can ultimately outweigh a reluctance to trust – making it convenient and trustworthy.

There is opportunity for governments to build public trust and confidence in personal information handling practices and new uses of data. With myGov cited as the preferred method of digital identity as opposed to state-based services, there is opportunity for government to better promote usage at a federal level.

Publicis Sapient
Citizen Highlights

- 1 81% of Australians use a digital identity method on a regular basis and report a highly positive general sentiment
- 2 The three most cited digital identity methods used by citizens were the myGovID digital identity (55%), followed by Mastercard ID (28%) and Auspost ID (17%)
- 3 The top privacy concerns cited were breaches from storing data in a single source (30%), perceived threat of not being able to access personal data (20%) and concerns around personal data being stored on government databases (19%)

Insight 4

Minority Groups and older Australians want better access to digital government services.

Even as digital adoption rates steadily rise in Australia, disadvantaged demographic groups face limited access to technology infrastructure, leading to social isolation. Builders, for example, struggle with access to digital technologies, and were five times more likely to rate digital services as 'very poor'. This is an increase from last year's survey, where poor service ratings increased by an average of 15%. The lowest rated service was legal at 26%.

State governments are supporting disadvantaged communities to improve tech adoption in their everyday lives and reduce the digital divide. The Government of Queensland announced that it is investing \$200 million over three years to grow the state's digital economy and ensure that minorities, including Aboriginal and Torres Strait Islander people are included through digitally-enhanced businesses and communities.²² Expanding these programmes' reach to target all Australians will be critical to improve accessibility in future.

This will particularly benefit indigenous communities, who were less likely to use health and financial services. In 2022, the proportion of aboriginal, Torres Strait Islander and indigenous respondents who used digital government services increased for each service category by an average of 4%. However, they were still less likely than other responders to avail of the two most used digital services in Australia – healthcare (-13%) and financial services/taxes (-12%).

Rural Australians also expressed a reluctance to use digital services. They were almost twice as likely than other respondents to never access digital government services. They were more likely to disagree that using online government services was easier and most likely to say they did not think of using an online government service when they experienced a life event (27%).

When asked to name a benefit of using myGovID, 90% of respondents who belonged to a minority group could name one. In addition, only one in three respondents who were part of a minority group listed benefits which focused on security, fraud prevention and personalised experiences.

Respondents who belonged to a minority group were twice as likely to be concerned that digital identities would not work as well for darker skin tones or for women, than non-minorities. Those belonging to a minority group were also more concerned about potential access issues following appearance changes.

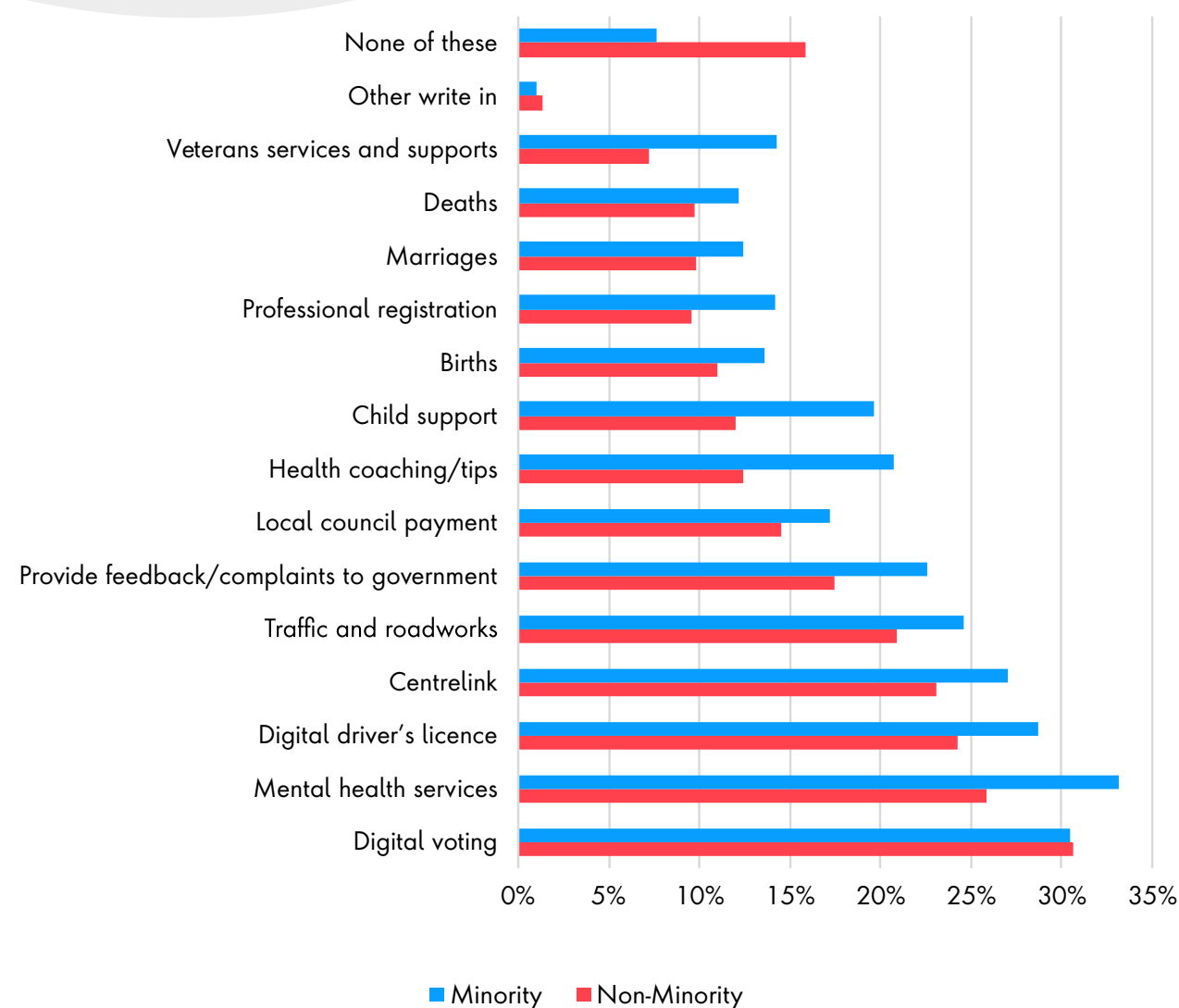
In an encouraging signal that government initiatives to improve digital inclusion among people with disabilities have met with some success, those with a physical or mental challenge are now more likely to use digital government services – employment (+21%), family (+10%), health (+16%), finance (+15%), transport (+19%) and MyGov (+19%).

Many Australians still feel excluded from digitalisation efforts largely because of poor digital infrastructure, high cost, absence of technical skills, or unreliable network in certain geographic areas. State and federal governments must amplify efforts to include minority groups and communities with limited digital literacy and access to emerging technologies.



²² \$200 million Digital Economy Strategy to fast-track Queensland's growth. Queensland Government

Online Government Services for Improvement or Introduction



Road Ahead

Digital literacy and access are critical for national development. Australia has implemented several effective strategies to address digital literacy, however wider public and private investments in digital infrastructure, cohesive policies, and robust governance

frameworks will be necessary for all citizens to enjoy the benefits of digitalisation. For example, South Australia has launched Digital Strategy 2023 to 2026, which outlines how digital technology can be used to help children and students thrive in a digital world.²³

²³ <https://discover.education.sa.gov.au/digital-strategy/index.html>

Governments should involve citizens and disadvantaged communities in the development and design process – to understand their specific pain points – and deliver targeted and intuitive apps and programmes in the future. A cohesive effort across federal, state, and territorial governments to engage with disadvantaged sections of society and minority communities through ongoing digital skills development, education, and investments to expand network coverage, could go a long way in bridging the digital divide.

Publicis Sapiient Citizen Highlights

- 1 Older Australians can struggle with access to digital government services, with Builders 5 times more likely to rate their experience with these services as poor
- 2 Indigenous communities are among the least likely to use digital health and financial services
- 3 Rural Australians are still reluctant to use digital government services, with respondents in rural areas or towns almost twice as likely than other respondents to never access digital government services



Insight 5

Australians are enthusiastic about emerging technologies

like AI, VR, XR and Web 3.0, and want to be digitally-equipped.

The Australian Government is adopting critical technologies like AI, autonomous systems, robotics, quantum technologies and advanced manufacturing to strengthen economic prosperity. These technologies are expected to have applications across industries and create well-paid and secure jobs, revive manufacturing, reduce greenhouse gas emissions, build more resilient supply chains and improve health and wellbeing.²⁴

The research shows that Australians are enthusiastic and willing to embrace this technology shift. Over half of Australians (63%) have practical knowledge of emerging technologies, with 15% indicating they have deep knowledge and interact with AR, VR, XR, Web 3.0 and digital currencies.

Artificial Intelligence, in particular, is reshaping several industries – from traffic management to privacy and security, and healthcare. NSW stands out for successfully adopting AI to improve productivity of government services and raise the quality of life of its citizens. It is the first state in Australia to publish its AI Strategy, which supports industry-government-academia collaborations in a bid to deliver outstanding services.²⁵

Most Australians (75%) with practical knowledge of emerging technologies expressed that they would be likely to engage with a digital government service using emerging technology platforms.

Amongst those Australians who have practical knowledge of emerging technologies, the majority (89%) express concerns about online safety. The most cited concerns include privacy (37%), identity theft (28%) and data manipulation (27%). Households with an income greater than \$100,000 are more likely to have practical understanding compared to households with lesser incomes, possibly a result of greater access to digital tools. Predictably, younger Australians were more than twice as likely than older Australians to have practical knowledge of emerging technologies.

The primary barriers to understanding emerging technologies amongst Australians with no practical knowledge are an uncertainty of their benefits (44%), a lack of interest (40%) and a lack of relevancy to people or their needs. Interestingly, these barriers rated higher than trust and security.

Those more likely to lack knowledge of emerging technologies or have a limited ability to cite their benefits include females, 26% of whom lacked any knowledge of emerging technologies compared to males (16%). Australians who completed education below university level were also significantly less likely to have any emerging technology knowledge, compared to those who have university-level education and above. Households with incomes of less than \$100,000 were also more than twice as likely to not have any understanding of emerging technologies compared to higher income households.

This interconnected relationship perhaps indicates, that with the right support and encouragement, the great

Australians who reported having used a digital government service were

2x
as likely

to have at least a practical understanding of emerging technology.

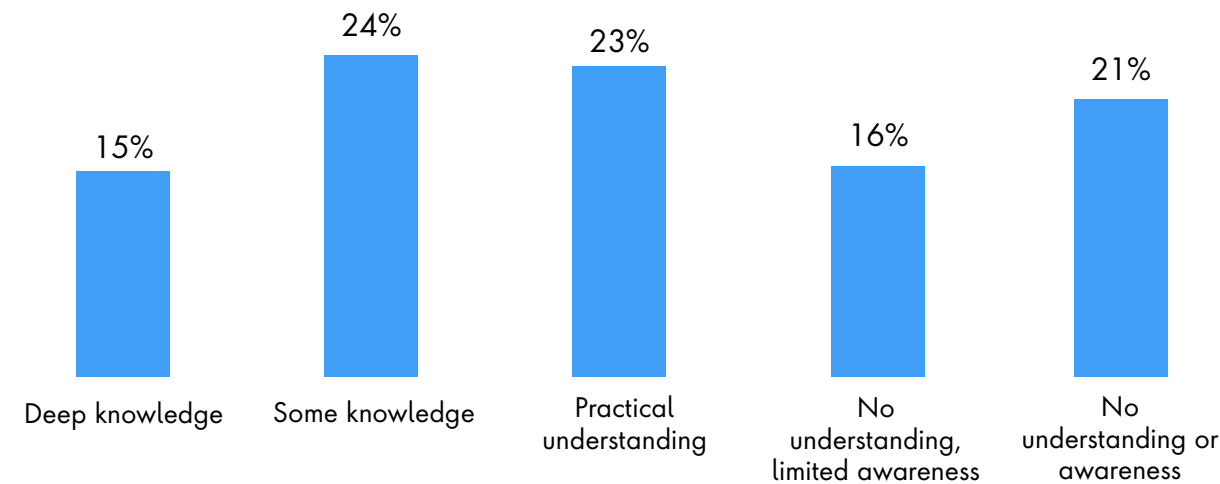
majority of citizens could be open to engaging with governments using emerging technologies.



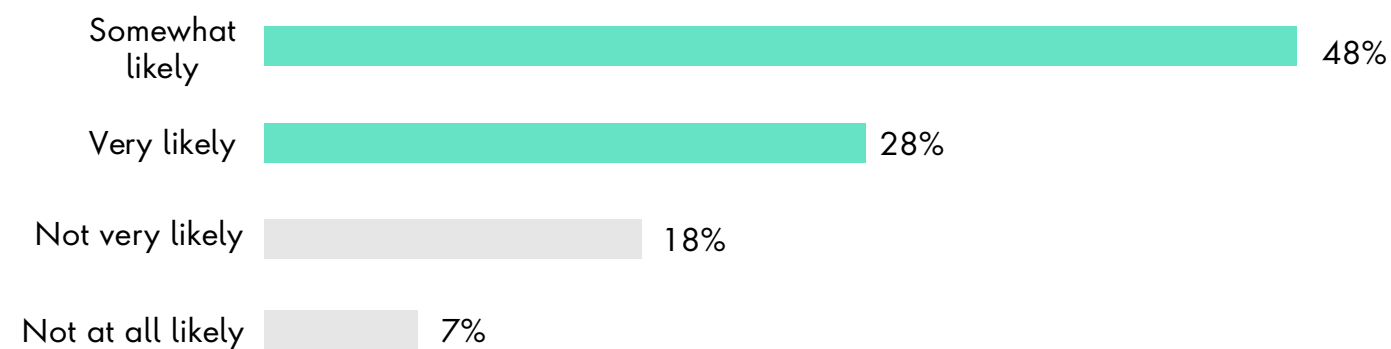
²⁴ *Critical Technologies Statement, Department of Industry, Science and Resources, Australian Government*

²⁵ *Emerging Digital Technologies Strategy, Investment NSW*

Rate your understanding of emerging technologies such as mixed reality (XR/VR/AR), Web 3.0 and digital currencies



How likely would you be to engage with a government service using emerging technology platforms such as metaverse or mixed reality?



Spotlight

Australians believe technological skills are critical for employment

Digital literacy is a critical skill when it comes to employability. Within the workforce, it is viewed as essential for enhanced productivity, upskilling, and career growth. The 2023-24 Federal Budget included funding for the Australian Government to expand access to foundation skills training and supporting community-based training, including developing digital skills required to participate successfully in work, education and the community.²⁶

This mirrors citizen sentiment in this research, which shows that 8 out of 10 Australians believe that additional training and skills are necessary to keep their current job or find new employment. The top preferences for training and skills are computer and technology skills (39%), higher education (34%) and language skills (27%).

Digital natives were more open to upskilling and training, including Gen Z (89%) and millennials (88%), compared to boomers (62%). Furthermore, 20% of Australians expressed a preference for digital government employment services for additional training to create future pathways for employability.

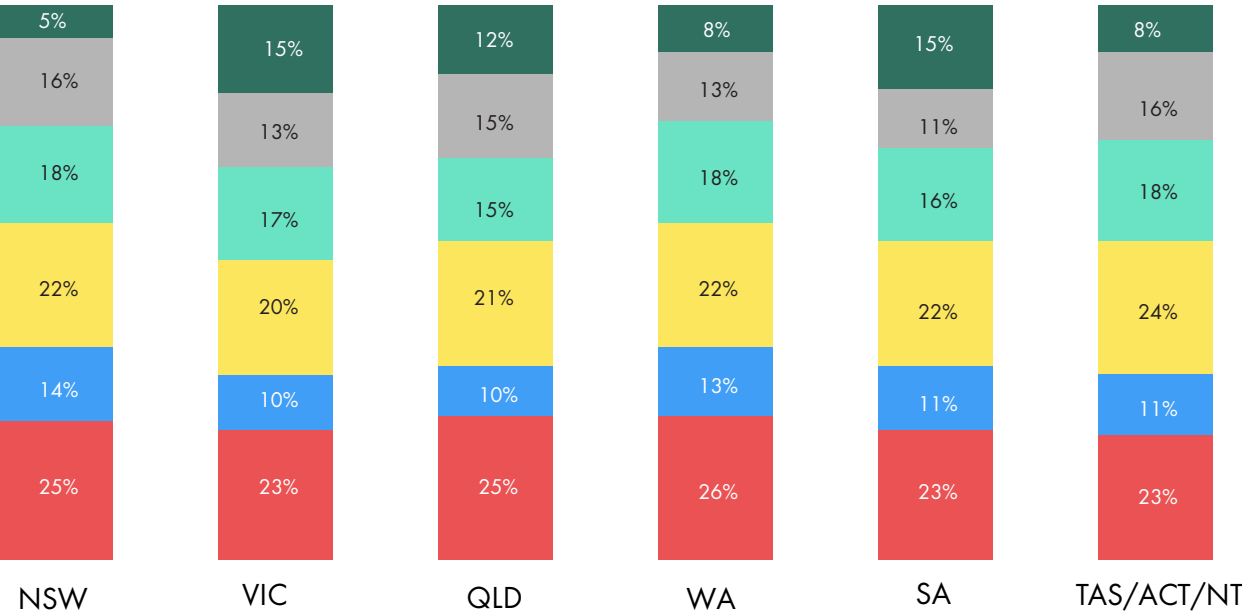
Non-minority groups (19%) were almost twice as likely to believe they did not need additional training or skills compared to minorities (10%). Meanwhile, non-caregivers (29%) were significantly more likely than caregivers (6%) to believe that additional training and skills would not be beneficial to keeping their current job.

Interestingly, technological advancements were not viewed as the highest threat to job security. Research shows that 7 out of 10 Australians believe that their current occupational role is not very secure. The largest perceived threat to job security is economic pressures (24%), followed by new and emerging technologies or the introduction of new tools or systems (18%) and environmental challenges, such as climate change or natural disasters (17%). Notably, the perceived risk of environmental challenges or energy transition to net zero did not vary significantly across regions.

Non-caregivers (44%) were also significantly more likely to believe that their role was very secure compared to caregivers (17%). Other groups more likely to view their role as secure include females (33%) vs males (25%), non-minorities (32%) versus minorities (23%) and individuals without mental health issues (54%) versus those who have experienced at least one mental health issue (17%).

There is also a disparity between individuals without university level education (35%) versus university level and above (27%), individuals who do not use digital government services (46%) versus those who do (28%) and individuals who are large-city residents (33%) versus non-large city residents (28%).

Preferences for further training and skills by state



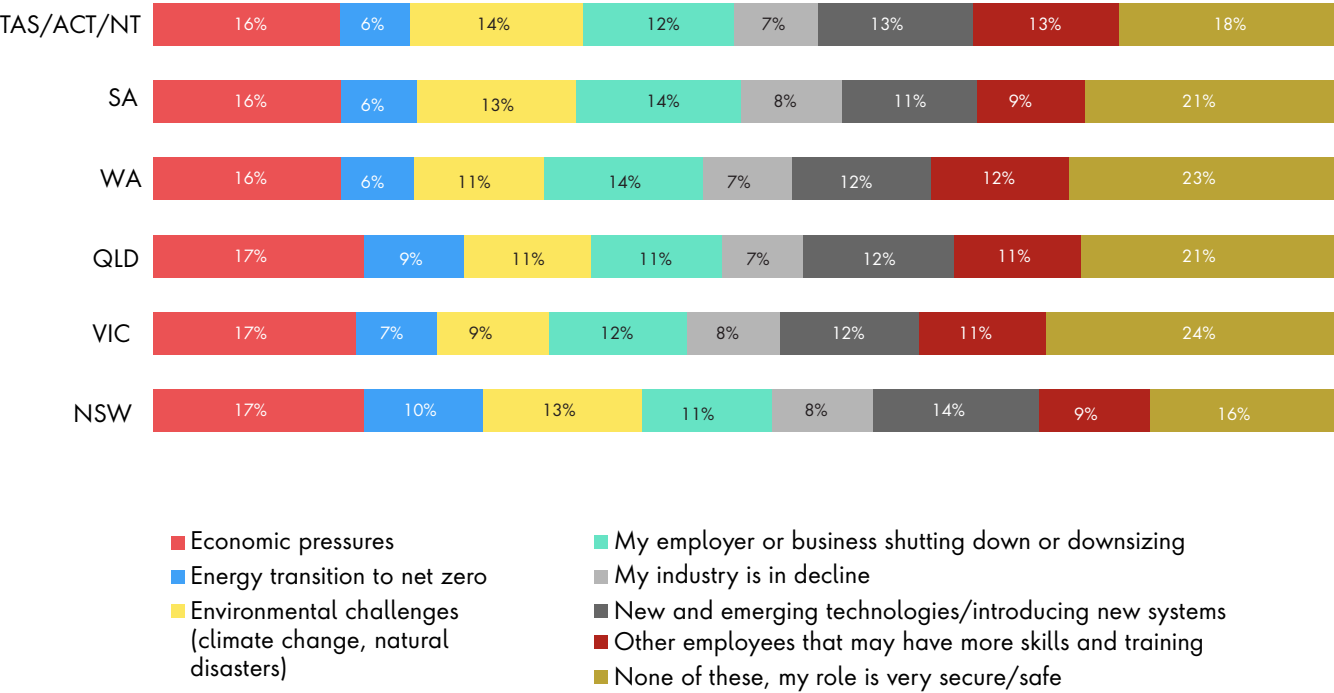
Road Ahead

Digital inclusion is a vital part of contemporary society. This includes having access to essential services such as health, banking, education, finding employment, as well as being socially connected. Currently, digital inclusion remains inconsistent across government, business, and community groups, with each establishing its own goals and programmes²⁷.

Combining digital literacy initiatives with omnichannel experiences will allow citizens to engage with government services based on their preferences and understanding. This effective and personalised service delivery is also likely to elevate citizen trust and satisfaction in the public-sector.

²⁷ <https://www.digitalinclusion.org.au/wp-content/uploads/2020/10/ADIA-A-National-Digital-Inclusion-Roadmap.pdf>

Risk to current occupational role by state



²⁶ <https://budget.gov.au/content/03-economy.htm#m6>

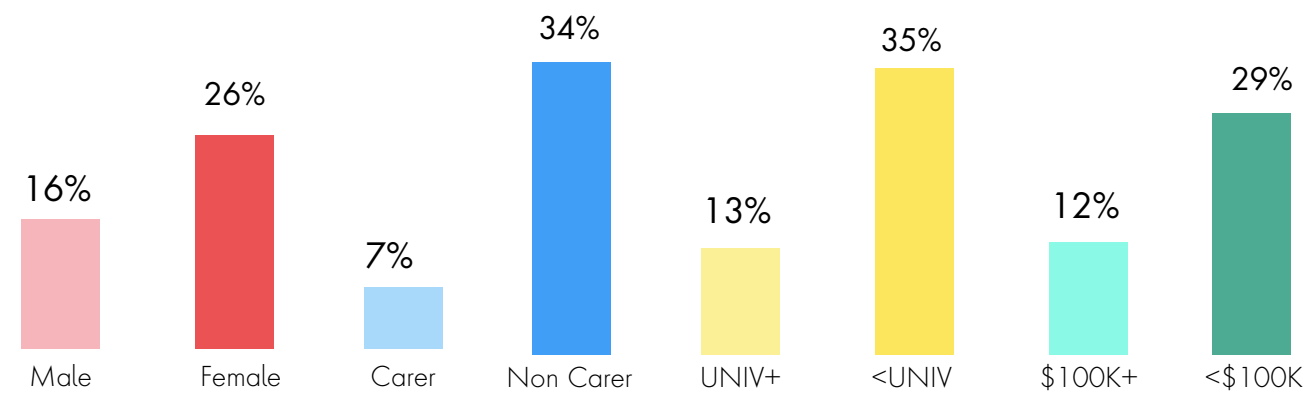


Publicis Sapient Citizen Highlights

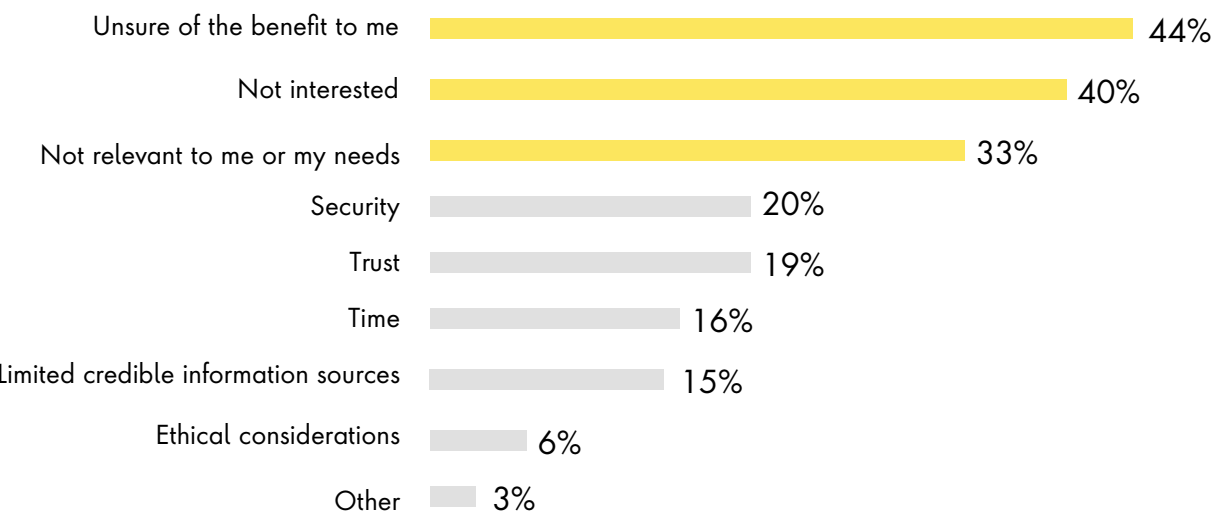
- 1 Over half of Australians (63%) have practical knowledge of emerging technologies and 75% are likely to engage with these for digital government services
- 2 The key barriers to adopting emerging technologies are uncertainty of their benefits (44%), lack of interest (40%) and perceived lack of relevancy
- 3 A majority of Australians believe that additional training and skills are essential to retain their job, with computer and technology skills (39%), higher education (34%) and language skills (27%) making up the top 3



I do not know what these are at all (emerging technologies)



What are the barriers to you understanding more about these technologies?



Conclusion

Australia's digital government ambitions are on the right track, but to measure the scope and quality of service delivery, state and federal governments must collaborate and explore human-centric designs for further improvements to public service delivery.

Removing barriers is critical to building an interconnected ecosystem that engages with citizens from anywhere and at any time. Publicis Sapient outlines the following recommendations to overcome complexities and build a more resilient digital ecosystem:

Establish a centralised platform

A centralised platform that allows citizens to navigate and receive information and services in a common place is key to supporting the expansion of digital services. Instead of overwhelming citizens with numerous apps and websites for different services and risk people losing track of them, it is more effective to use the same solution for repeated services.

Develop a consistent interface

Governments could make processes more familiar for their users through a consistent interface and experience. This is likely to improve convenience, especially among older populations, and drive trust in the government's ability to deliver quality services.

Build resilience of critical digital infrastructure

As the public sector becomes more automated, malicious actors will continue to exploit vulnerabilities. This is a significant barrier to tech adoption, and one that is impeding full-scale digital transformation of government services. Sharing best practices, including threat intelligence and solutions across federal, state, and territorial governments can protect citizens from harm and strengthen resilience of critical digital infrastructure.

The citizen at the heart of all digital experiences

It is nearly impossible to define and build intuitive user experiences without user engagement. Unfortunately, despite their very best intentions, governments tend to operate in silos and design service platforms and apps that suit their own requirements rather than the needs of citizens. This is likely to diminish public trust and satisfaction. However, improved citizen participation during design, implementation, and delivery can lead to wider acceptance of services.

Inclusion and digital literacy are non-negotiable

Digital inclusion is no longer a 'nice-to-have'. It has rapidly become a tool for social and economic self-empowerment. Bridging the digital divide is therefore as much about ensuring internet connectivity as it is about addressing barriers to the use of digital services. Digital literacy and skills development must be viewed as a multi-stakeholder initiative that brings all citizens and communities together to serve everyone's interest.



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- S

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Strategy, developing and testing your hypothesis on priority value pools
- P

Product

Evolving at pace and scale
- E

Experience

Enabling ongoing value for your customers
- E

Engineering

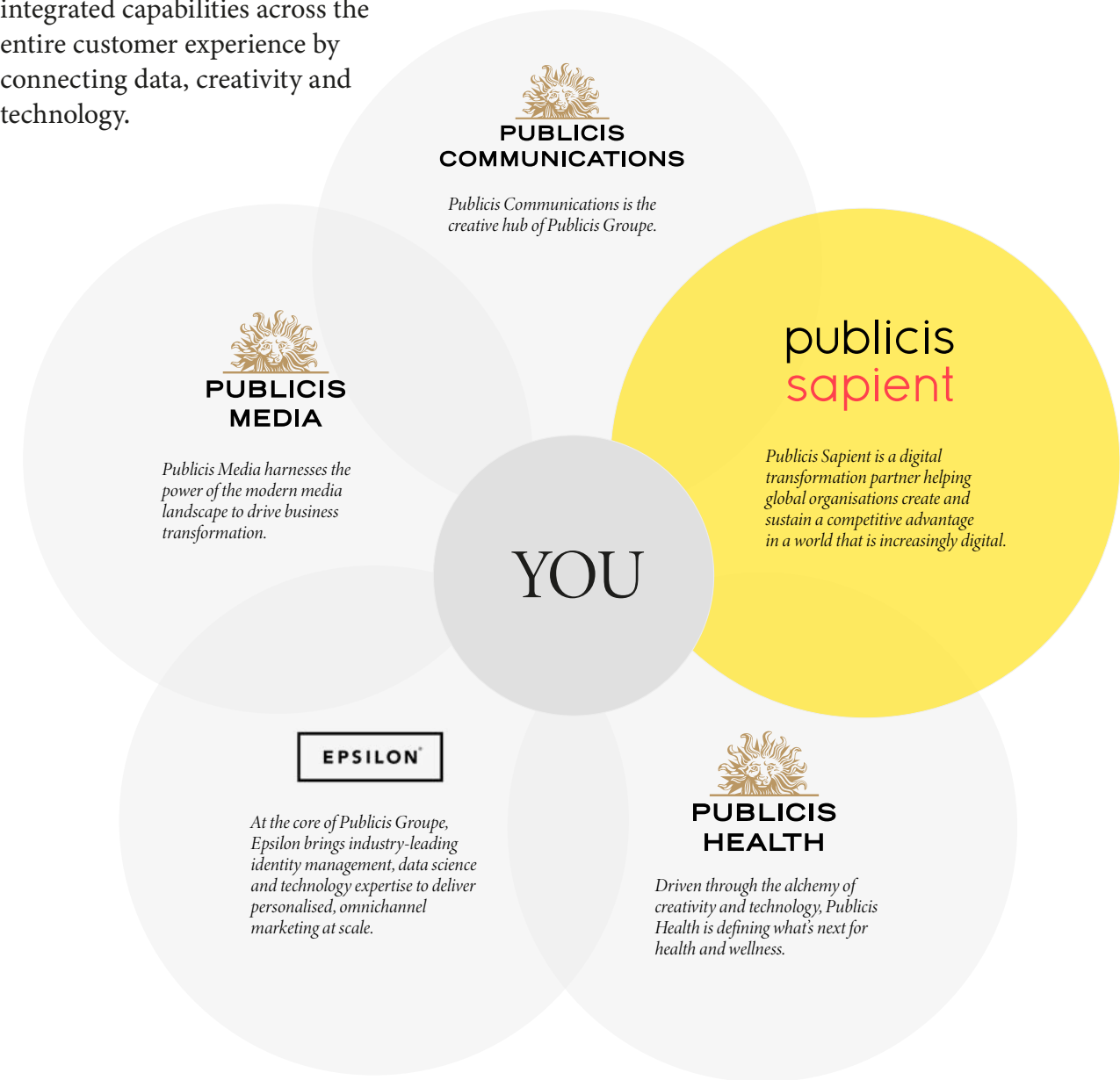
Delivering on your promise, at pace, and at scale
- D

Data and AI

Validating your hypotheses and uncovering insights for constant iteration

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